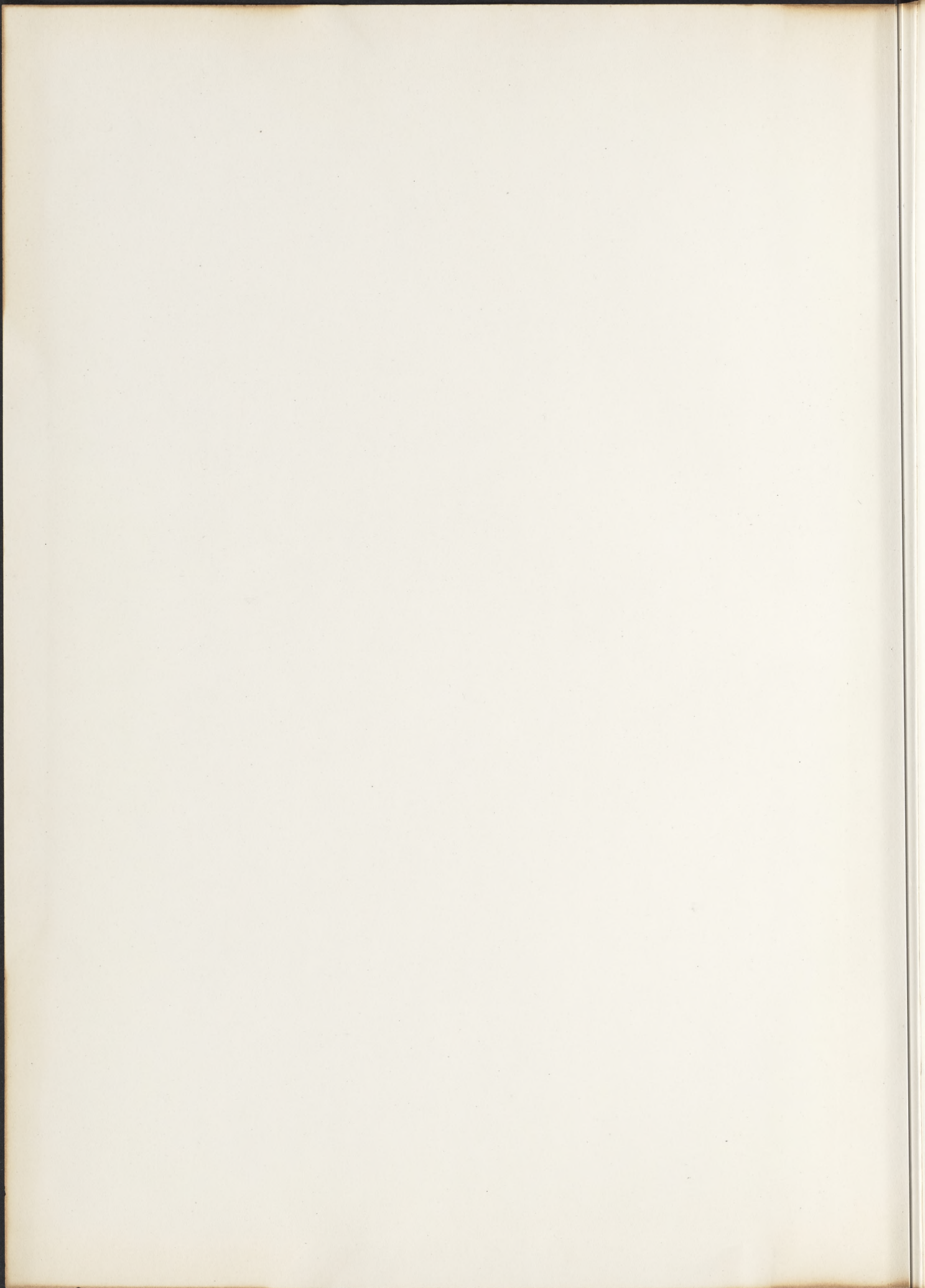


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January 1, 1953

To: John R. Smith (Copy) Donald E. Johnson
George H. Brown R. M. Johnson, Jr.
Charles L. Johnson James E. Johnson

We believe you have been informed by letter that a meeting of the Board of Directors of the Company will be held on Thursday, January 2, 1953, at 10:00 A.M. in the Board Room of the Company at the Chicago office. It is requested that you be present at this meeting to discuss our business and any other matters that may come up.

We are sorry to hear that you are unable to attend the meeting and are sorry that we cannot provide transportation to the Chicago office.

Please see the enclosed letter to the Board of Directors and whether you wish to be added to the list of directors for you in the future.

Sincerely,
Donald E. Johnson

Donald E. Johnson, President

Donald E. Johnson
Donald E. Johnson

Donald E. Johnson



January 8, 1953

To:	John D. Hertz (Cary)	Donald N. McDonnell
	George H. Howard	R. C. Patterson, Jr.
	Oswald L. Johnston	George H. Shaw

Mr. Odium has instructed me to notify you that a meeting of the Board of Directors of this company will be held at 11:00 a.m., Pacific Standard Time, on Thursday, January 29, 1953, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

You are asked to arrange for your own transportation to and from San Diego.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting and whether you want us to make a hotel reservation for you in San Diego.

Yours truly

Edmund Burke, Secretary

THE N. PAUL WHITTIER
HISTORICAL AVIATION LIBRARY
SAN DIEGO AEROSPACE MUSEUM

January 2, 1951

Donald E. Johnston
George E. Shaw
John E. Morris (Copy)

George E. Shaw
Donald E. Johnston

Mr. O'Brien has instructed me to notify you
that a meeting of the Board of Directors of this
company will be held at 11:00 a.m., Pacific Standard
Time, on Thursday, January 25, 1951, at the offices
of the company in San Diego, for the transaction of
any business that may properly come before the meeting.

You are asked to advise for your own
transportation to and from San Diego.

Please see the accompanying copy of this
letter to tell us whether you will attend the meeting
and whether you wish us to make a hotel reservation
for you in San Diego.

Very truly

Donald E. Johnston, Secretary

THE BOARD OF DIRECTORS
SAN DIEGO AIRPORT
SAN DIEGO, CALIFORNIA

January 8, 1953

To: LaMotte T. Cohu Joseph T. McNarney
John D. Hertz (Canoga Park) W. C. Rockefeller
S. R. Inch Robert B. Watts
I. M. Laddon

Mr. Odium has instructed me to notify you that a meeting of the Board of Directors of this company will be held at 11:00 a.m. Pacific Standard Time, on Thursday, January 29, 1953, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Yours truly

Edmund Burke, Secretary

January 2, 1911

Joseph J. Kennedy
John J. Kelly (George Tate)
Robert H. Kelly

LaMonte T. Goff
John J. Kelly (George Tate)
E. H. Lusk
I. H. Lusk

Mr. Goff has requested me to notify you
that a meeting of the Board of Directors of this
company will be held at 11:00 a.m. Pacific Standard
Time, on Thursday, January 26, 1911, at the office
of the company in San Diego, for the transaction of
any business that may properly come before the
meeting.

Please use the accompanying copy of this
letter to tell me whether you will attend the meeting.

Yours truly,

Edward G. Tate, Secretary

MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
OF CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD THURSDAY, JANUARY 29, 1953

A meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at the general offices of the company in San Diego, California, on Thursday, January 29, 1953, at 11:00 a.m. Pacific Standard Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

Floyd B. Odlum	I. M. Laddon
LaMotte T. Cohu	Donald N. McDonnell
John D. Hertz	Joseph T. McNarney
S. R. Inch	W. C. Rockefeller
Oswald L. Johnston	George H. Shaw

Mr. Robert B. Watts, Vice President and General Counsel was present by invitation.

Mr. Floyd B. Odlum, Chairman, presided at the meeting and Mr. Edmund Burke, Secretary, recorded the minutes.

1. The Chairman suggested that consideration be given to the declaration of a quarterly dividend on the common stock of the company. After discussion and full consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that a quarterly dividend of 45 cents a share on the outstanding common stock of this company be and it hereby is declared and ordered paid on

MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
OF CONSOLIDATED WATER SUPPLY CORPORATION
Held at Miami, January 22, 1923

A meeting of the Board of Directors of Consolidated Water Supply Corporation was held at the general offices of the company in San Diego, California, on Thursday, January 22, 1923, at 11:00 a.m. Ralph H. Stewart, Vice President, presided over the meeting. All the directors in accordance with the requirements of the Bylaws. The following directors were present at the meeting and constituted a quorum for the transaction of business:

- | | |
|-------------------|-------------------|
| Edward B. Baker | W. H. Jackson |
| John B. Baker | Donald H. Johnson |
| John B. Baker | George H. Jones |
| W. H. Jackson | |
| Donald H. Johnson | |
| George H. Jones | |

Mr. Robert B. Baker, Vice President and General Counsel

was present by invitation.

Mr. Ralph H. Stewart, President, presided at the meeting.

and Mr. Donald H. Johnson, Secretary, recorded the minutes.

1. The Chairman suggested that consideration be given to the declaration of a quarterly dividend on the common stock of the company. After discussion and full consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that a quarterly dividend of 15 cents a share on the outstanding common stock of this company be and is hereby declared and ordered paid on

February 25, 1953 to the holders of said common stock of record at the close of business on February 13, 1953; and be it further

RESOLVED that the officers of the company be and they hereby are authorized and instructed to deliver to The Chase National Bank of the City of New York, the Dividend Disbursing Agent of the company, the funds required to make the foregoing cash disbursements, and The Chase National Bank of the City of New York, acting as Dividend Disbursing Agent, is instructed to disburse the dividends to the holders of record in accordance with the terms of the foregoing resolution.

2. The Chairman then called attention to the prevailing market price of approximately \$16 a share on San Diego Corporation stock, as compared with the price of \$11 a share which, under the resolutions adopted by the Board on December 12, 1952, was to be used as a basis for the cash payment to stockholders in lieu of fractional shares in the dividend disbursements of San Diego Corporation stock to be made on February 2, 1953. After discussion and full consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the sixth RESOLVED clause of the resolutions adopted by the Board of Directors of this corporation on December 12, 1952, having reference to an agreement between this corporation and San Diego Corporation and the declaration of a special dividend payable February 2, 1953, be amended to read as follows:

"RESOLVED that in any and all cases where any amount of San Diego Corporation stock issuable as such stock dividend shall be less than one share, fractional shares shall not be issued but payment shall be made in cash to the stockholder entitled to receive the same in an amount equivalent to such fraction at the rate of \$16 per full share of capital stock of San Diego Corporation."

February 22, 1955 to the balance of said common stock of record as the close of business on February 15, 1955; and so it further

RESOLVED that the officers of the company be and they hereby are authorized and instructed to deliver to the Chase National Bank of the City of New York, the Division Distributing Agent of the company, the funds required to make the foregoing cash distributions, and the Chase National Bank of the City of New York, acting as Division Distributing Agent, is instructed to change the dividends to the balance of record in accordance with the terms of the foregoing resolution.

5. The Chairman then called attention to the prevailing market price of approximately \$15 a share on San Diego Corporation stock, as compared with the price of \$11 a share which, under the resolutions adopted by the Board on December 15, 1954, was to be used as a basis for the cash payment to stockholders in lieu of fractional shares in the dividend distributions of San Diego Corporation stock to be made on February 2, 1955. After discussion and full consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the aforesaid RESOLVED clause of the resolutions adopted by the Board of Directors of this corporation on December 15, 1954, having reference to an agreement between this corporation and San Diego Corporation and the declaration of a special dividend payable February 2, 1955, be amended to read as follows:

WHEREAS that in any and all cases where any amount of San Diego Corporation stock is payable as cash dividend shall be less than one share, fractional shares shall not be issued but payment shall be made in cash to the stockholder entitled to receive the same in an amount equivalent to such fraction of the rate of \$15 per full share of capital stock of San Diego Corporation.

3. The Secretary next presented the minutes of the meeting of the Board of Directors held on December 12, 1952. After due consideration the minutes of this meeting were approved as recorded.

4. It was then suggested that the action of Mr. Robert B. Watts in executing a proxy granting to Messrs. Walter J. Jason, W. T. Piper, Horace G. Hitchcock, Jas. P. Murray and Charles Kingsley, or any one of them, to vote the stock owned by the company in Manufacturers Aircraft Association, Inc., at the annual meeting of the stockholders of that association which was held on January 27, 1953, be ratified. After consideration and upon a motion duly made, seconded and unanimously carried, the action of Mr. Robert B. Watts in executing this proxy was ratified and approved.

5. It was next stated that the company had disposed of its investments in the State of Colorado, had discontinued business in that State and the officers of the company had filed a certificate of withdrawal of the company from that State. After consideration and upon a motion duly made, seconded and unanimously carried, the action of Messrs. Robert B. Watts and Edmund Burke in executing a certificate of withdrawal of the authority of the company to transact business in the State of Colorado, was ratified.

6. The resignation of Mr. George C. Bond as an Assistant Secretary of the company, effective December 31, 1952, was then presented and it was suggested that the resignation be accepted and that Mr. Thomas P. Moran be elected as an Assistant Secretary of the company. Upon a motion duly made, seconded and unanimously

1/22/23

1. The Secretary next presented the minutes of the meeting of the Board of Directors held on December 12, 1922. After the consideration the minutes of this meeting were approved as recorded.

2. It was then suggested that the action of Mr. Robert H. Watts in executing a proxy granting to Messrs. Walter J. Lamm, W. T. Piper, Horace G. Hitchcock, Jas. F. Hursey and Charles Kinsey, or any one of them, to vote the stock owned by the company in the annual meeting of the American Aircraft Association, Inc., at the annual meeting of the stockholders of that association which was held on January 27, 1923, be ratified. After consideration and upon a motion duly made, seconded and unanimously carried, the action of Mr. Robert H. Watts in executing this proxy was ratified and approved.

3. It was next stated that the company had disposed of the investments in the State of Colorado, had discontinued business in that State and the officers of the company had filed a certificate of withdrawal of the company from that State. After consideration and upon a motion duly made, seconded and unanimously carried, the action of Messrs. Robert H. Watts and Edward Burke in executing a certificate of withdrawal of the authority of the company to transact business in the State of Colorado, was ratified.

4. The resignation of W. George G. Reed as an Assistant Secretary of the company, effective December 31, 1922, was then presented and it was suggested that the resignation be accepted and that Mr. Thomas E. Brown be elected as an Assistant Secretary of the company. Upon a motion duly made, seconded and unanimously

1/29/53

carried, the resignation of Mr. George C. Bond as an Assistant Secretary of the company, effective December 31, 1952, was accepted, and Mr. Thomas P. Moran was elected an Assistant Secretary of the company to hold office until the next annual meeting of the Board of Directors of the company or until his successor is elected and qualified.

7. It was next suggested that the resolutions controlling contract signing authority be amended to authorize a Buying Supervisor to execute purchase orders limited to \$20,000 value in any one case, in lieu of the authority now limited to \$10,000 value in any one case, and to eliminate certain titles no longer in use, substituting therefor the titles presently used by division employees performing the same functions. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the resolutions adopted by the Board of Directors at a meeting held on July 24, 1952, as amended, establishing the contract signing authority of various officers and employees of the company, be further amended by inserting immediately following Section "g" of the second RESOLVED clause, the following:

- g.1 The following division employees with limitation of \$20,000 value in any one case but only with respect to those purchase orders for raw materials, standard parts and supplies that pertain to the operation of the division in which the signatory is employed; provided, however, that a signatory of the San Diego Division may execute purchase orders for supplies to be used by the general offices of the corporation:

Any Buying Supervisor

considered, the resignation of Mr. George C. Ford as an Assistant Secretary of the company, effective December 11, 1953, was accepted, and Mr. Thomas F. Hovner was elected an Assistant Secretary of the company to hold office until the next annual meeting of the Board of Directors of the company or until his successor is elected and qualified.

It was next suggested that the resolutions concerning continued signing authority be amended to authorize a Buying Supervisor to execute purchase orders limited to \$50,000 value in any one case, in lieu of the authority now limited to \$25,000 value in any one case, and to eliminate certain titles no longer in use, substituting therefor the titles presently used by divisions engaged in performing the same functions. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the resolutions adopted by the Board of Directors at a meeting held on July 16, 1953, as amended, authorizing the continued signing authority of various officers and employees of the company, be further amended by inserting immediately following Section "c" of the second RESOLVED clause, the following:

2. The following division employees with limitation of \$50,000 value in any one case but only with respect to those purchase orders for raw materials, standard parts and supplies that pertain to the operation of the division in which the employee is assigned; provided, however, that a majority of the San Diego Division may execute purchase orders for supplies to be used by the factory offices of the corporation.

Buy Order Committee

By eliminating the position "Any Buying Supervisor" in Section "h" of the second RESOLVED clause;

By eliminating the position "Chief of Contract Administration, San Diego Division", in Section "e" of the second RESOLVED clause and substituting therefor the position "Assistant Manager of Contracts, San Diego Division";

By eliminating the position "Chief of Parts Sales, San Diego Division", in Section "f" of the second RESOLVED clause and substituting therefor the position "Parts Sales General Supervisor, San Diego Division".

8. There was then presented a request for revisions in the resolutions pertaining to division bank accounts, to establish check signing authority for division employees holding the titles "Division Administration Manager", "Manager of Accounting", and "Manager of General Accounting", and to designate the Secretary as a certifying officer in place of the Treasurer and Assistant Treasurer. It was suggested that for this purpose the resolutions currently in effect be rescinded and new resolutions, including the proposed revisions, be adopted. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that (Insert the name and address of the bank) be and hereby is designated as a depository of the funds of this corporation for the following division accounts of this corporation:

- General Deposit Accounts
- Controlled Deposit Accounts
- Payroll Deposit Accounts
- Payroll Deduction Deposit Accounts
- Pay-Off Draft Deposit Accounts
- United States Savings Bond Deposit Accounts
- Petty Cash Accounts

By eliminating the position "San Diego Supervisor" in Section "B" of the second REVENUE clause;

By eliminating the position "Chief of District Administration, San Diego Division", in Section "A" of the second REVENUE clause and substituting therefor the position "Assistant Manager of Districts, San Diego Division";

By eliminating the position "Chief of Parts Sales, San Diego Division", in Section "B" of the second REVENUE clause and substituting therefor the position "Parts Sales General Supervisor, San Diego Division";

There was then presented a request for revision in the resolution pertaining to division bank accounts, to establish check signing authority for division employees holding the titles "Division Administration Manager", "Manager of Accounting", and "Manager of General Accounting", and to designate the Secretary as a certifying officer in place of the Treasurer and Assistant Treasurer. It was suggested that for this purpose the resolution currently in effect be rewritten and new resolutions, including the proposed revisions, be adopted. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that (Insert the name and address of the bank) be and hereby is designated as a depository of the funds of this corporation for the following division accounts of this corporation:

- General Deposit Accounts
- Control of Deposit Accounts
- Payroll Deposit Accounts
- Payroll Deduction Deposit Accounts
- Pay-Off Fund Deposit Accounts
- United States Savings Bond Deposit Accounts
- Petty Cash Accounts

1/29/53

and that the officers, agents, and employees of this corporation be and they hereby are and each of them is, authorized to deposit any of the funds of this corporation in said Bank, provided there shall be deposited by this corporation in said Payroll Deposit Accounts, Payroll Deduction Deposit Accounts, Pay-Off Draft Deposit Accounts, and Petty Cash Accounts, only checks and other instruments for the payment of money drawn against the said General Deposit Accounts.

BE IT FURTHER RESOLVED that until further order of this Board of Directors, any funds of this corporation deposited in said Bank in said General Deposit Accounts or Controlled Deposit Accounts shall be subject to withdrawal or charge at any time and from time to time upon checks, notes, drafts, bills of exchange, or other instruments or orders for the payment of money when signed, drawn, accepted, or endorsed on behalf of this corporation by any two of the following officers, agents, or employees of this corporation or their successors in office or position; provided, that one of the signatories is either the Chairman of the Board, the President, any Vice President, the Treasurer, the Assistant Treasurer, the Division Manager, the Acting Division Manager, the Assistant Division Manager, or the Division Administration Manager, and that the other signatory is either the Controller, the Assistant Controller, the Division Controller, the Assistant Division Controller, the Manager of Accounting, the Manager of General Accounting, the Division General Accounting Supervisor or the Division Assistant General Accounting Supervisor:

Chairman of the Board
President
Any Vice President
Treasurer
Assistant Treasurer
Controller
Assistant Controller
Division Manager
Acting Division Manager
Assistant Division Manager
Division Administration Manager
Division Controller
Assistant Division Controller
Manager of Accounting
Manager of General Accounting
Division General Accounting Supervisor
Division Assistant General Accounting Supervisor

1/29/53

BE IT FURTHER RESOLVED that any funds on deposit in the following division bank accounts

Payroll Deposit Accounts
Payroll Deduction Deposit Accounts

shall be subject to withdrawal upon checks, etc., as aforesaid, signed in the name of this corporation by any one of the aforesaid officers, agents, or employees.

BE IT FURTHER RESOLVED that any funds on deposit in the following division bank accounts

Pay-Off Draft Deposit Accounts
United States Savings Bond Deposit Accounts
Petty Cash Accounts

shall be subject to withdrawal upon checks, etc., as aforesaid, signed in the name of this corporation by any one of the aforesaid officers, agents, or employees or by any division employee designated in writing by any of the aforesaid officers, agents or employees.

BE IT FURTHER RESOLVED that the bank is hereby authorized to honor and pay any such instruments or make any such charge and also receive the same from the payee or any other holder without inquiry as to the circumstances of issue or the disposition of the proceeds even if drawn to the individual order of any signing person or payable to said Bank or others for his account or tendered in payment of his individual obligation and whether drawn against an account in the name of this corporation or in the name of any officers, agents, or employees of this corporation as such.

BE IT FURTHER RESOLVED that the Secretary or an Assistant Secretary of this corporation, when acting jointly with the Chairman of the Board or President or any Vice President, shall be and hereby is authorized to certify to said Bank the names and specimen signatures of the officers, agents, and employees of this corporation who now hold or may from time to time hereafter hold the offices or positions of:

BE IT FURTHER RESOLVED that any funds on deposit in the following division bank accounts

Payroll Deposit Accounts
Payroll Deduction Deposit Accounts

shall be subject to withdrawal upon check, etc., as authorized, signed in the name of this corporation by any one of the following officers, agents, or employees

BE IT FURTHER RESOLVED that any funds on deposit in the following division bank accounts

Pay-Off Draft Deposit Accounts
United States Savings Bond Deposit Accounts
Savings Bank Accounts

shall be subject to withdrawal upon check, etc., as authorized, signed in the name of this corporation by any one of the following officers, agents, or employees or by any division employee designated in writing by any of the following officers, agents or employees

BE IT FURTHER RESOLVED that the bank is hereby authorized to honor and pay any such instruments or notes any such checks and also receive the same from the payee or any other holder without liability on the part of the corporation of issue or the disbursement of the proceeds when it appears to the individual order of any signing person or payable to said bank or others for his account or credited to payment of his individual obligation and whether known against an account in the name of this corporation or in the name of any officer, agent, or employee of this corporation or such

BE IT FURTHER RESOLVED that the Secretary or an Assistant Secretary of this corporation, when acting jointly with the Chairman of the Board or President or any Vice President, shall be and hereby is authorized to certify to said bank the names and specimen signatures of the officers, agents, and employees of this corporation who are held or may from time to time hereafter hold the office or positions of:

Chairman of the Board
President
Vice President
Treasurer
Assistant Treasurer
Controller
Assistant Controller
Division Manager
Acting Division Manager
Assistant Division Manager
Division Administration Manager
Division Controller
Assistant Division Controller
Manager of Accounting
Manager of General Accounting
Division General Accounting Supervisor
Division Assistant General Accounting Supervisor
Division Paymaster
Division Assistant Paymaster
Any Designated Division Employee

and the Secretary or an Assistant Secretary of this corporation shall file with said Bank a copy of these resolutions duly signed by him as Secretary or Assistant Secretary under the seal of this corporation, and said Bank, upon receipt of said list of the officers and agents or employees of this corporation and said specimen signatures certified by the Secretary or an Assistant Secretary acting jointly with the Chairman of the Board, President, or Vice President of this corporation, shall be entitled to rely upon the same under the terms of these resolutions until duly notified of changes in the names of listed officers or agents and employees, or a revocation of their authority to act under the terms of these resolutions.

BE IT FURTHER RESOLVED that the resolutions designating said Bank as a depository of funds of this corporation, adopted by this Board of Directors on May 24, 1946, as amended by a resolution adopted by the Executive Committee of this Board of Directors on March 28, 1948, be and the same hereby are rescinded, and that the authorizations contained therein be and they hereby are cancelled and revoked; provided, however, that in order to obviate inconvenience in putting into operation the terms and conditions of the foregoing resolutions adopted at this meeting, said Bank is hereby authorized to accept and recognize the signatures and identifications of the authorized signatories against the respective bank accounts as heretofore certified and identified to said Bank (pursuant to the aforesaid resolutions adopted on

May 24, 1946, as amended) as being certifications of signatures and identifications of signatories under authority of the foregoing resolutions adopted at this meeting, but only in so far as consistent with the provisions thereof; and provided further that the aforesaid resolutions adopted on May 24, 1946, as amended, shall remain in full force and effect until the date of the receipt by said Bank of the foregoing resolutions adopted at this meeting.

9. The Model 340 airplane program was next reviewed.

After consideration and upon a motion duly made, seconded and unanimously carried, a price of not less than \$590,000 and not to exceed \$592,000 for the standard basic version, plus appropriate escalation provisions covering labor and material factors, with a maximum price limitation of \$642,000, was established for additional Model 340 airplanes to be sold.

10. Upon a motion then duly made, seconded and unanimously carried, the following contributions were approved:

	<u>Amount</u>
(a) Committee for Economic Development 444 Madison Avenue, New York City	\$ 1,500
(b) President's Contingency Fund	5,000
(c) Fort Worth Hospital	12,500
(d) Contingency Fund for Navy Relief Society	750
(e) Contingency Fund for Air Force Aid Society	750
(f) Contingency Fund for Washington and Dayton Offices (\$250 each)	500
(g) Daingerfield Division	
School and Civil Programs	150
March of Dimes	75
Heart and Cancer Fund	50

11. A draft of the annual report, including the certified financial statements for the fiscal year ended November 30, 1952 as prepared for distribution to stockholders, was next presented. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

May 25, 1956, as amended) as being satisfactory of
 statements and identification of signatures under
 authority of the foregoing resolutions adopted at
 this meeting, but only in so far as consistent with
 the provisions thereof; and provided further that the
 aforesaid resolutions adopted on May 25, 1956, as
 amended, shall remain in full force and effect until
 the date of the meeting by said bank of the foregoing
 resolutions adopted at this meeting.

9. The Model No. 100 program was next reviewed.

After consideration and upon a motion duly made, seconded and unanimously carried, a price of not less than \$250,000 and not to exceed \$300,000 for the standard basic version, plus appropriate escalation provisions covering labor and material factors, with a certain price limitation of \$300,000, was established for additional Model No.

airframes to be sold.

10. Upon a motion duly made, seconded and unanimously

carried, the following contributions were approved:

Amount	
\$ 1,200	(a) Donation for Economic Development 100 Madison Avenue, New York City
2,000	(b) President's Conference Fund
12,500	(c) Ford North American
750	(d) Contingency Fund for Navy Relief Society
750	(e) Contingency Fund for Air Force Aid Society
200	(f) Contingency Fund for Washington and Region Citizens (250 each)
150	(g) Defense and Education School and Civil Program
75	March of Dimes
20	Heart and Cancer Fund

11. A draft of the annual report, including the certified

financial statements for the fiscal year ended November 30, 1957, as

prepared for distribution to stockholders, was next presented. After

consideration and upon a motion duly made, seconded and unanimously

carried, the following resolution was adopted:

1/29/53

RESOLVED that the issuance of the annual report, including the financial statements for the fiscal year ended November 30, 1952, as certified by the company's independent auditors, Arthur Young & Company, and the letter to the stockholders of the company as submitted to the directors at this meeting, is approved, and it is ordered printed and distributed to the stockholders of the company of that record date which will be fixed as the record date for determining the holders of common stock of the company entitled to receive notice of and to vote at the forthcoming annual meeting of the stockholders of the company.

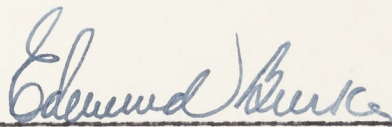
12. General McNarney then made a general report on the progress of the company.

13. Mr. Watts next reported on the status of the Plant 2 facilities at San Diego.

14. Messrs. McDonnell and Laddon then led in a general discussion on matters relating to the management of Hiller Helicopters, Inc., in which corporation the company has an investment in debentures having an aggregate face value of \$500,000.

15. The directors were next informed that a tour of San Diego Division Plants 1 and 2 had been arranged for those directors who wished to make the tour following the adjournment of the meeting.

16. The Chairman then announced that the next directors meeting will be held on the call of the Chairman.


Edmund Burke, Secretary

12/25/52

RESOLVED that the issuance of the annual report, including the financial statements for the fiscal year ended November 30, 1952, as certified by the company's independent auditors, Arthur Young & Company, and the letter to the stockholders of the company as submitted to the directors at this meeting, be approved, and it is ordered that the report and letter be distributed to the stockholders of the company at that time and that the company be authorized to take such action as may be necessary to carry out the foregoing annual meeting of and to vote at the stockholders of the company.

12. General Manager then made a general report on the

progress of the company.

13. Mr. White next reported on the status of the Plant

Facilities at San Diego.

14. Messrs. Hollingsworth and Ladd then led in a general

discussion on matters relating to the management of Miller

Industries, Inc., in which corporation the company has an invest-

ment in debentures having an aggregate face value of \$500,000.

15. The directors were next informed that a tour of

San Diego Division Plants 1 and 2 had been arranged for those

directors who wished to make the tour following the adjournment

of the meeting.

16. The Chairman then announced that the next directors

meeting will be held on the call of the Chairman.


Robert J. White, Secretary

To the Board of Directors of
Consolidated Vultee Aircraft Corporation:

December 31, 1952

I hereby tender my resignation as an
Assistant Secretary of the corporation, effective
December 31, 1952.



George C. Bond

To the Board of Directors of
Consolidated Natural Gas Corporation

December 31, 1932

I hereby tender my resignation as an
Assistant Secretary of the corporation, effective

December 31, 1932.


J. C. [unclear]
Assistant Secretary

March 6, 1953

To: LaMotte T. Cohu
John D. Hertz (Canoga Park)
S. R. Inch
I. M. Laddon

Joseph T. McNarney
W. C. Rockefeller
Robert B. Watts

Mr. Odlum has instructed me to notify you that a meeting of the Board of Directors of this company will be held at 11:00 a.m. Pacific Standard Time, on Tuesday, March 17, 1953, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please take notice that consideration will be given to amending the Bylaws as follows:

Amend Section 1 of Article III by increasing the number of directors from twelve to ____.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Yours truly

Edmund Burke, Secretary

March 4, 1907

Joseph T. Hollister
W. C. Rochester
Robert H. White

Latrobe T. Johns
John S. Davis (Orange Park)
J. E. Tuck
J. W. Laidley

Mr. Johns has informed me to notify you
that a meeting of the Board of Directors of this
company will be held at 11:00 a.m. Pacific Standard
Time, on Tuesday, March 17, 1907, at the office of
the company in San Diego, for the transaction of any
business that may properly come before the meeting.

Please take notice that consideration will
be given to amending the Bylaws as follows:

Amend Section 1 of Article III by inserting
the number of Directors from twelve to _____

Please use the accompanying copy of this
letter to call on whether you will attend the meeting.

Yours truly,

Edmund Burke, Secretary

March 6, 1953

To: John D. Hertz (Cary)
George H. Howard
Oswald L. Johnston

Donald N. McDonnell
R. C. Patterson, Jr.
George H. Shaw

Mr. Odum has instructed me to notify you that a meeting of the Board of Directors of this company will be held at 11:00 a.m., Pacific Standard Time, on Tuesday, March 17, 1953, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please take notice that consideration will be given to amending the Bylaws as follows:

Amend Section 1 of Article III by increasing the number of directors from twelve to ____.

You are asked to arrange for your own transportation to and from San Diego.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting and whether you want us to make a hotel reservation for you in San Diego.

Yours truly

Edmund Burke, Secretary

March 6, 1953

Donald E. McConnel
George H. Brown
George H. Brown

John H. Brown (Copy)
George H. Brown
Donald E. McConnel

For

Mr. Brown has indicated he is willing to
that a meeting of the Board of Directors of this
company will be held at 11:00 a.m., Pacific Standard
Time, on Tuesday, March 17, 1953, at the offices of
the company in San Diego, for the transaction of any
business that may properly come before the meeting.

Please advise within ten days whether you
be given to attending the meeting as follows:

Insert Section 1 of Article III by inserting
the number of directors from time to time in _____

You are asked to arrange for your own
transportation to and from San Diego.

Please use the accompanying copy of this
letter to tell us whether you will attend the meeting
and whether you want us to make a hotel reservation
for you in San Diego.

Very truly

Edward J. Brown, Secretary

MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
OF CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD TUESDAY, MARCH 17, 1953

A meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at the general offices of the company in San Diego, California, on Tuesday, March 17, 1953, at 11:00 a.m. Pacific Standard Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

Floyd B. Odlum	I. M. Laddon
LaMotte T. Cohu	Donald N. McDonnell
John D. Hertz	Joseph T. McNarney
S. R. Inch	W. C. Rockefeller

Mr. Robert B. Watts, Vice President and General Counsel was present by invitation.

Mr. Floyd B. Odlum, Chairman, presided at the meeting and Mr. Edmund Burke, Secretary, recorded the minutes.

1. The Secretary presented the minutes of the meeting of the Board of Directors held on January 29, 1953. After due consideration the minutes of this meeting were approved as recorded.

2. The Chairman next suggested that the consideration of a proposal to amend the Bylaws be postponed until the next meeting of the Board and upon a motion duly made, seconded and unanimously carried, consideration of the proposal to amend the Bylaws as

MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
OF CONSOLIDATED AIRCRAFT CORPORATION
Held Tuesday, March 17, 1933

A meeting of the Board of Directors of Consolidated Aircraft Corporation was held at the general offices of the company in San Diego, California, on Tuesday, March 17, 1933, at 11:00 a.m. Pacific Standard Time, pursuant to notice given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting:

and constituted a quorum for the transaction of business:

Floyd B. Olson	I. M. Ladd
Laurette T. Cobb	Ronald M. Robinson
John D. Burt	Joseph T. McHenry
S. R. Lusk	M. C. Rockafellow

Mr. Robert B. Watts, Vice President and General Counsel,

was present by invitation.

Mr. Floyd B. Olson, Chairman, presided at the meeting.

and Mr. Edward Burke, Secretary, recorded the minutes.

1. The Secretary presented the minutes of the meeting

of the Board of Directors held on January 29, 1933. After the

consideration the minutes of this meeting were approved as recorded.

2. The Chairman next suggested that the consideration of

a proposal to amend the Bylaws be postponed until the next meeting

of the Board and upon a motion duly made, seconded and unanimously

carried, consideration of the proposal to amend the Bylaws be

contained in the notice of the meeting sent to each director, was postponed until the next meeting of the Board.

3. The financial statements as of December 31, 1952, January 31, 1953 and February 28, 1953, were then received, discussed and filed.

4. It was next stated that changes in duties and titles of personnel in the several divisions warranted amending the resolutions controlling contract signing authority. Upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the resolutions adopted by the Board of Directors at a meeting held on July 24, 1952, as amended, establishing the contract signing authority of various officers and employees of the company be further amended:

By inserting the words "and outside production" immediately following the words "pertaining to the subcontracting", in sections i, j and j.1 of the second RESOLVED clause;

By adding to section i of the second RESOLVED clause as a signatory

Any Chief of Outside Production

By adding to section j of the second RESOLVED clause as a signatory

Any Outside Production Supervisor

By adding to section g of the second RESOLVED clause as a signatory

Any General Purchasing Agent

By adding to section g.1 of the second RESOLVED clause as signatories

Any Assistant Purchasing Agent
Any Senior Buyer

concluded in the nature of the meeting held in each district.

was postponed until the next meeting of the Board.

3. The financial statements as of December 31, 1952,

January 31, 1953 and February 28, 1953, were then reviewed, dis-

cussed and filed.

4. It was next stated that changes in duties and

titles of personnel in the several divisions warranted amending

the resolutions controlling contract signing authority. Upon a

motion duly made, seconded and unanimously carried, the following

resolution was adopted:

RESOLVED that the resolutions adopted by the Board of Directors at a meeting held on July 25, 1952, as amended, establishing the contract signing authority of various officers and employees of the company be further amended:

By inserting the words "and outside protection" immediately following the words "pertaining to the subcontracting", in sections 1, 2 and 3 of the second RESOLVED clause;

By adding to section 1 of the second RESOLVED clause as a signature

Any Chief of District Protection

By adding to section 2 of the second RESOLVED clause as a signature

Any District Protection Supervisor

By adding to section 3 of the second RESOLVED clause as a signature

Any General Purchasing Agent

By adding to section 4 of the second RESOLVED clause as a signature

Any Assistant Purchasing Agent
Any Senior Buyer

By eliminating from section e of the second RESOLVED clause the title "Administration General Supervisor, Fort Worth Division", and substituting therefor the title "General Supervisor-Contracts Administration, Fort Worth Division".

5. It was then suggested that the resolutions pertaining to division bank accounts be amended to establish check signing authority for holders of the title "Assistant to Division Manager". Upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the resolutions adopted by the Board of Directors at a meeting held on January 29, 1953, establishing bank accounts to be maintained by the various divisions of the company, be amended as follows:

By inserting the words "the Assistant to Division Manager", immediately following the words "the Assistant Division Manager", in the second RESOLVED clause; and

By inserting the title "Assistant to Division Manager" next following the title "Assistant Division Manager" in the second and sixth RESOLVED clauses.

6. A request for an appropriation of \$580,000 for San Diego Division capital expenditures for the fiscal year 1953 was next presented. Upon a motion duly made, seconded and unanimously carried, an appropriation of \$580,000 for San Diego Division capital expenditures for the fiscal year 1953 was approved.

7. It was then stated that the appropriation of \$461,860 for the 1953 advertising budget which had been approved by the Board at a meeting held on December 12, 1952, did not provide for advertisements in consumer media during July and

By eliminating from section 2 of the second
 RESOLUTION clause the title "Assistant General
 Supervisor, Fort Worth Division", and substituting
 therefor the title "General Supervisor-Contracts
 Administration, Fort Worth Division".

It was then suggested that the resolution pertain-

ing to division bank accounts be amended to reflect such signing

authority for holders of the title "Assistant to Division Manager".

Upon a motion duly made, seconded and unanimously carried, the

following resolution was adopted:

RESOLVED that the resolution adopted by the
 Board of Directors at a meeting held on January
 12, 1953, establishing bank accounts to be maintained
 by the various divisions of the company, be amended
 as follows:

By inserting the words "the Assistant to Division
 Manager", immediately following the words "the Assistant
 Division Manager", in the second RESOLVED clause; and

By inserting the title "Assistant to Division
 Manager" next following the title "Assistant Division
 Manager" in the second and sixth RESOLVED clauses.

6. A request for an appropriation of \$250,000 for Jan

Division capital expenditures for the fiscal year 1953 was

next presented. Upon a motion duly made, seconded and unanimously

carried, an appropriation of \$250,000 for the Division

capital expenditures for the fiscal year 1953 was approved.

7. It was then stated that the appropriation of

\$251,500 for the 1953 advertising budget which had been approved

by the Board at a meeting held on December 12, 1952, did not

provide for advertisements in consumer media during July and

August 1953, and it was suggested that \$68,080 be approved as an additional appropriation for that purpose. After consideration and upon a motion duly made, seconded and unanimously carried, an additional appropriation of \$68,080 was approved for the 1953 advertising budget, bringing the total amount approved for this budget to \$529,940.

8. The Model 340 airplane program was next reviewed. After discussion and upon a motion duly made, seconded and unanimously carried, the action taken by the officers of the company with respect to the placing of forward orders for materials needed in the production of airplanes numbered from 177 through 238, was approved, and a price of \$590,000 was established for the standard basic version, plus appropriate escalation provisions covering labor and material factors for Model 340 airplanes numbered 177 and above to be sold.

9. Upon a motion then duly made, seconded and unanimously carried, an additional contribution of \$2500 to the San Diego Chapter, American Red Cross, was approved.

10. General McNarney next reported on the progress of the company, particularly with respect to military projects.

At this point Messrs. Root and Newton entered the room.

11. Mr. Root, with the aid of charts, then presented proposed plans for greater publicizing and identification of Convair in the various company locations, the estimated cost of which aggregated approximately \$77,400 if all proposed signs are purchased by the company, with a reduction of approximately \$28,000 in the

August 1952, and it was suggested that \$66,080 be approved as an additional appropriation for that purpose. After consideration and upon a motion duly made, seconded and unanimously carried, an additional appropriation of \$66,080 was approved for the 1952 advertising budget, bringing the total amount approved for this budget to \$529,960.

8. The Model 350 airplane program was next reviewed.

After discussion and upon a motion duly made, seconded and unanimously carried, the action taken by the officers of the company with respect to the placing of forward orders for materials needed in the production of airplanes numbered from 177 through 256, was approved, and a price of \$390,000 was established for the standard basic version, plus appropriate cancellation provisions covering labor and material factory for Model 350 airplanes numbered 177 and above to be sold.

9. Upon a motion duly made, seconded and unanimously carried, an additional contribution of \$2500 to the San Diego Chapter, American Red Cross, was approved.

10. General Hollaway next reported on the progress of the

company, particularly with respect to military projects.

At this point Messrs. Root and Weston entered the room.

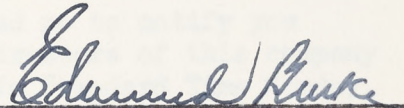
11. Mr. Root, with the aid of charts, then presented

proposed plans for greater publicizing and identification of Comair in the various company locations, the estimated cost of which aggregated approximately \$77,500. If all proposed signs are purchased by the company, with a reduction of approximately \$28,000 in the

initial outlay if certain electric signs are leased instead of purchased. After discussion and consideration and upon a motion duly made, seconded and unanimously carried, the proposed plans were approved in principle and the officers of the company were requested to further consider the leasing rather than the purchasing of certain electric signs.

12. It was then announced that the next meeting of the Board of Directors will be held on the call of the Chairman.

13. There being no further business to come before the meeting, it was thereupon adjourned.



Edmund Burke, Secretary

initial outlay if certain electric signs are leased instead of purchased. After discussion and consideration and upon a motion duly made, seconded and unanimously carried, the proposed plans were approved in principle and the officers of the company were requested to further consider the leasing rather than the purchasing of certain electric signs.

12. It was then announced that the next meeting of the Board of Directors will be held on the call of the Chairman.

13. There being no further business to come before the

meeting, it was thereupon adjourned.

Edmund Burke, Secretary

March 30, 1953

To: LaMotte T. Cohu
S. R. Inch
I. M. Laddon

Joseph T. McNarney
W. C. Rockefeller
John D. Hertz (Canoga Park)

Mr. Odlum has instructed me to notify you that a meeting of the Board of Directors of this company will be held at 11:00 a.m. Pacific Standard Time Monday, April 6, 1953, at the offices of the company in San Diego for the transaction of any business that may properly come before the meeting.

Please take notice that consideration will be given to amending the Bylaws as follows:

Amend Section 1 of Article III by increasing the number of directors from twelve to ____.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Yours truly

Edmund Burke, Secretary

March 30, 1953

Joseph T. Hickey
W. C. Hockaday
John D. Harris (Manager)

For: Leland T. Carr
J. E. Nash
J. E. Ladd

Mr. Carr has requested me to notify you
that a meeting of the Board of Directors of this company
will be held at 11:00 a.m. Pacific Standard Time Monday,
April 6, 1953, at the office of the company in San
Diego for the transaction of any business that may
properly come before the meeting.

Please take notice that such notification will be
given to reaching the system as follows:

Send Section I of Article III by registered
mail to the number of directors from which to

Please use the accompanying copy of this
letter to tell us whether you will attend the meeting.

Yours truly,

Leland Carr, Secretary

March 30, 1953

TELEGRAM

To: John D. Hertz (Cary)
George H. Howard
Oswald L. Johnston

Donald N. McDonnell
R. C. Patterson, Jr.
George H. Shaw

Mr. Odlum has instructed me to notify you that a meeting of the Board of Directors of this company will be held at 11:00 a.m. Pacific Standard Time Monday, April 6, 1953, at the offices of the company in San Diego for the transaction of any business that may properly come before the meeting.

Please take notice that consideration will be given to amending the Bylaws as follows:

Amend Section 1 of Article III by increasing the number of directors from twelve to ____.

Please advise whether you will attend.

Consolidated Vultee Aircraft Corporation

Edmund Burke, Secretary

March 30, 1953

MEMORANDUM

Donald E. Johnson
George H. Brown
George H. Brown, Jr.
Donald E. Johnson

John D. Hart (Copy)
George H. Brown
Donald E. Johnson

Mr. Johnson has requested me to notify you that a meeting of the Board of Directors of this company will be held at 11:00 a.m. on Wednesday, April 1, 1953, at the offices of the company in New York for the transacting of any business that may properly come before the meeting.

Please take note that consideration will be given to amending the Bylaws as follows:

Amend Section 1 of Article III by inserting the number of directors from twelve to _____.

Please advise whether you will attend.

Respectfully,
Donald E. Johnson, Secretary

Donald E. Johnson, Secretary

MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
OF CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD MONDAY, APRIL 6, 1953

A meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at the general offices of the company in San Diego, California, on Monday, April 6, 1953, at 11:00 a.m. Pacific Standard Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

Floyd B. Odlum	I. M. Laddon
LaMotte T. Cohu	Joseph T. McNarney
S. R. Inch	W. C. Rockefeller

Mr. Floyd B. Odlum, Chairman, presided at the meeting and Mr. Edmund Burke, Secretary, recorded the minutes.

1. The Secretary presented the minutes of the meeting of the Board of Directors held March 17, 1953. After due consideration the minutes of this meeting were approved as recorded.

2. The Chairman next stated that it would be in order to take action on the following matters incident to the forthcoming special (in lieu of annual) meeting of stockholders:

- a. Fix the date of the meeting.
- b. Fix the record date for determining stockholders entitled to receive notice of and to vote at the meeting.

MINUTES OF THE BOARD
OF THE BOARD OF DIRECTORS
OF CONSOLIDATED VAN THE AIRPORT CORPORATION
HOLD MEETING, APRIL 4, 1953

A meeting of the Board of Directors of Consolidated Van Airports Corporation was held at the general offices of the company in San Diego, California, on Monday, April 4, 1953, at 1:00 p.m. Pacific Standard Time, pursuant to notice given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and

constituted a quorum for the transaction of business:

Mr. E. J. Olson	Mr. E. J. Olson
Mr. T. J. Olson	Mr. T. J. Olson
Mr. C. J. Olson	Mr. C. J. Olson

Mr. E. J. Olson, Chairman, presided at the meeting

and Mr. E. J. Olson, Secretary, recorded the minutes.

1. The Secretary presented the minutes of the meeting of the Board of Directors held March 17, 1953. After the consideration the minutes of this meeting were approved as recorded.

2. The Chairman stated that it would be in order to take action on the following matters pending in the forwarding of the minutes of the meeting of the Board of Directors.

a. Fix the date of the meeting.

b. Fix the record date for determining stockholders entitled to receive notice of and to vote at

the meeting.

- c. Appoint Judges of Election.
- d. Appoint a Proxy Committee.
- e. Nominate candidates for election as directors.
- f. Approve the notice of the special (in lieu of annual) meeting of stockholders, the proxy and the proxy statement, subject to such changes as may be required by either the General Counsel or the Securities and Exchange Commission, and direct their being sent to stockholders as of the fixed record date.
- g. Authorize the officers of the company to employ Georgeson & Co. to assist with the solicitation of proxies.

After discussion and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that the special (in lieu of annual) meeting of stockholders of the company shall be held at the general offices of the company in San Diego, California, at 11:00 a.m. Pacific Daylight Saving Time, on May 15, 1953; and be it further

RESOLVED that the close of business April 17, 1953, shall be and hereby is fixed as the record date for determining the holders of common stock of the company entitled to receive notice of and to vote at the special (in lieu of annual) meeting of the stockholders of the company, to be held pursuant to the Bylaws, at San Diego, California, at 11:00 a.m. Pacific Daylight Saving Time on May 15, 1953, or any adjournment or adjournments thereof, and that the Secretary or an Assistant Secretary of the company be and he hereby is instructed to give notice to the New York Stock Exchange, the San Francisco Stock Exchange and The Chase National Bank of the City of New York, Transfer Agent of the company, of the fixing of said record date; and be it further

RESOLVED that Messrs. R. C. Brockway and D. S. Devlin shall be and hereby are appointed Judges of Election to serve as such at the special (in lieu of annual) meeting of the stockholders of this company to be held on May 15, 1953, or at any adjournment or adjournments thereof, to open and close the polls, to take charge of and to receive the proxies and ballots and to decide all questions regarding the qualifications of voters, the validity of proxies, and the acceptance or rejection of votes, in accordance with the provisions of the Bylaws of this company and the laws of the State of Delaware; and be it further

RESOLVED that Messrs. Floyd B. Odium, LaMotte T. Cohu, Joseph T. McNarney, S. R. Inch and Donald N. McDonnell shall be and hereby are designated as the Management Proxy Committee to be named as such in the proxy statement to be distributed to all of the holders of the common stock of this company with the notice of the special (in lieu of annual) meeting of the stockholders of the company for the year 1953, and as such Management Proxy Committee to solicit proxies in behalf of the present management of the company, and that all stockholders of the company shall be informed by the proxy statement that said Management Proxy Committee intends to vote all proxies received by the Committee unless specifically instructed to the contrary in favor of the management's nominees or directors of the company; and be it further

RESOLVED that Messrs. Ellsworth C. Alvord; George W. Codrington; LaMotte T. Cohu; Lambert J. Gross; Roger I. Harris; John D. Hertz; John Jay Hopkins; S. R. Inch; I. M. Laddon; Henry M. Marx; Donald N. McDonnell; Joseph T. McNarney; Clifton M. Miller; J. V. Naish; J. Geoffrey Notman; R. C. Patterson, Jr.; Lawrence B. Richardson; O. P. Robinson, Jr.; W. C. Rockefeller, shall be and they hereby are nominated as candidates for election as directors of the company at the special (in lieu of annual) meeting of its stockholders to be held on May 15, 1953, or any adjournment or adjournments thereof; and be it further

RESOLVED that the notice of the special (in lieu of annual) meeting of stockholders, the proxy and the proxy statement as presented at this meeting, shall be and they hereby are approved, subject to such changes as may be required by either the General Counsel or the Securities and Exchange Commission, and the officers of the company shall be and they hereby are authorized to have the afore-said printed and distributed to the stockholders of the company of record at the close of business April 17, 1953; and be it further

RESOLVED that the officers of the company be and they hereby are authorized to employ Georgeson & Co., 52 Wall Street, New York, New York, to assist in the solicitation of proxies from stockholders of the company incident to voting on matters to be presented at the special (in lieu of annual) meeting of stockholders of the company to be held on May 15, 1953, and to pay Georgeson & Co. as a compensation fee for such assistance, the sum of \$4000, plus the expenses incurred by them in the employment of not to exceed 40 assistants to be engaged in this solicitation.

3. The resignations of Messrs. L. W. Miller, as Acting Treasurer, and G. T. Bovee, as Controller of the company, were then presented and it was suggested that consideration be given to the election of Mr. G. T. Bovee as Treasurer, and Mr. D. T. Fisher, presently Assistant to the Executive Vice President, as Controller of the company. After due consideration and upon a motion duly made, seconded and unanimously carried, the resignations of Messrs. L. W. Miller, as Acting Treasurer, and G. T. Bovee, as Controller, were accepted, Mr. G. T. Bovee was elected Treasurer and Mr. D. T. Fisher was elected Controller of the company, to hold their respective offices until the next annual meeting of the Board of Directors of the company or until their successors are elected and qualified, each at his present annual rate of compensation until further action by the Board.

4. General McNarney next reported on the general progress of the company.

5. A request was then presented for the approval of funds for accomplishing the Plant Identification program which was approved in principle by the Board at the meeting held on March 17, 1953.

RECEIVED that the officers of the company be and they hereby are authorized to accept for the company, 25 Wall Street, New York, New York, in consideration of the collection of certain first mortgages of the company, to be made in return for the presentation of the special (in form of annual) meeting of stockholders of the company to be held on May 15, 1933, and to pay thereon \$ 25, as a compensation for the said assistance, the sum of \$2500, plus the expenses incurred by them in the preparation of and in connection with the collection of the said collection.

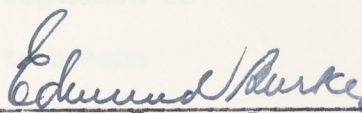
3. The resignation of Messrs. J. W. Miller, as Acting Treasurer, and E. T. Howe, as Controller of the company, were then presented and it was suggested that consideration be given to the election of Mr. E. T. Howe as Treasurer, and Mr. J. W. Miller, as Controller, to the Executive Vice President, as Controller of the company. After the consideration and upon a motion duly made, seconded and unanimously carried, the resignation of Messrs. J. W. Miller, as Acting Treasurer, and E. T. Howe, as Controller, were accepted, Mr. E. T. Howe was elected Treasurer and Mr. J. W. Miller was elected Controller of the company, to hold their respective offices until the next annual meeting of the Board of Directors of the company or until their successors are elected and qualified, each at his present annual rate of compensation until further action by the Board.

4. General Hollister next reported on the general progress of the company.

5. A report was then presented for the approval of the Board for accomplishing the first identification program which was approved in principle by the Board at the meeting held on March 17, 1933.

After consideration and upon a motion duly made, seconded and unanimously carried, an appropriation of \$67,218.42 for items to be purchased outright, and \$45,578.24 for lease of signs over a 3-year period, was approved for the Plant Identification program.

At this point upon a motion duly made, seconded and unanimously carried, the meeting adjourned, to reconvene without further notice at the general offices of the company in San Diego, California, at 11:00 a.m. Pacific Standard Time on Friday, April 17, 1953.



Edmund Burke, Secretary

After consideration and upon a motion duly made, recorded and
unanimously carried, an appropriation of \$47,385.45 for these
to be purchased outright, and \$20,000.00 for issue of notes
over a 5-year period, was approved for the first identification

motion.

At this point upon a motion duly made, recorded and
unanimously carried, the meeting adjourned, to reconvene without
further notice at the general offices of the company in San Diego,
California, at 11:00 a.m. Pacific Standard Time on Friday,

April 17, 1953.


Charles E. Smith, Secretary

To the Board of Directors of
Consolidated Vultee Aircraft Corporation:

April 6, 1953

I hereby tender my resignation as
Controller of the corporation, to become
effective at the pleasure of the Board.

G. T. Bovee
G. T. Bovee

To the Board of Directors of
Consolidated Natural Gas Corporation

April 6, 1937

I hereby tender my resignation as

Controller of the corporation, to become

effective at the pleasure of the Board.

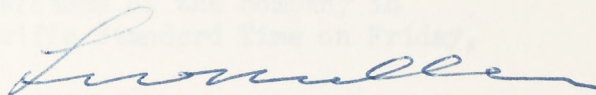
W. C. 8
W. C. 8

April 6, 1953

To the Board of Directors of
Consolidated Vultee Aircraft Corporation:

April 6, 1953

I hereby tender my resignation as
Acting Treasurer of the corporation, to become
effective at the pleasure of the Board.



L. W. Miller

To the Board of Directors of
Consolidated Value Aircraft Corporation

April 6, 1953

I hereby tender my resignation as
Acting Treasurer of the corporation, to become
effective at the pleasure of the Board.


L. W. Miller

April 8, 1953

To: LaMotte T. Cohu
John D. Hertz (Canoga Park
and Cary, Illinois)
S. R. Inch
I. M. Laddon
Joseph T. McNarney
W. C. Rockefeller

George H. Howard
Oswald L. Johnston
Donald N. McDonnell
R. C. Patterson, Jr.
George H. Shaw
Robert B. Watts

This is to remind you that the adjourned meeting of the Board of Directors held on April 6, 1953, will be reconvened at the offices of the company in San Diego at 11:00 a.m. Pacific Standard Time on Friday, April 17, 1953.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Yours truly

Edmund Burke, Secretary

April 8, 1933

George H. Howard
Charles L. Johnson
Donald S. Johnson
E. C. Johnson, Jr.
George L. Shaw
Robert S. White

For: Lafayette T. Goss
John D. Harris (Chicago Park
and Gary, Illinois)
E. E. Jacob
J. W. Jackson
Joseph T. McHenry
W. D. Ruckelshaus

This is to remind you that the adjourned
meeting of the Board of Directors held on April 6, 1933,
will be reconvened at the office of the company in
San Diego at 11:00 a.m. Pacific Standard Time on Friday,
April 14, 1933.

Please see the accompanying copy of this
letter to tell us whether you will attend the meeting.

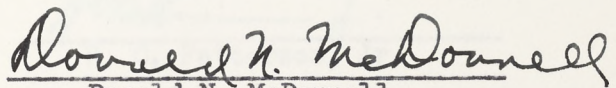
Yours truly,

Edward Davis, Secretary

WAIVER OF NOTICE

The undersigned Donald N. McDonnell hereby waives all notice of the time and place of holding the adjourned meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation of April 6, 1953, and consents and agrees that such meeting may be reconvened and held at the offices of the company, 3165 Pacific Highway, San Diego, California, on Friday, April 17, 1953, at 11:00 a.m. Pacific Standard Time, and further agrees that at said reconvened meeting the Bylaws of the corporation may be amended by increasing the number of directors from twelve to nineteen.

Dated at New York, New York, this 16th day of April, 1953.


Donald N. McDonnell

NOTICE OF MEETING

The undersigned Donald E. McGowan, Secretary

gives all notice of the time and place of holding the

annual meeting of the Board of Directors of Consolidated

Value Assets Corporation of April 2, 1953, and requests

and agrees that such meeting may be postponed and held at

the offices of the company, 1155 Pacific Highway, San Diego,

California, on Friday, April 17, 1953, at 11:00 a.m. Pacific

Standard Time, and further agrees that it will reconvene

meeting the Board of Directors of the corporation may be amended by

increasing the number of directors from twelve to fifteen.

Dated at New York, New York, this 15th day of

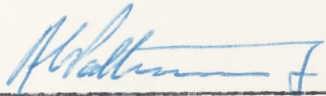
April, 1953.

Donald E. McGowan
Donald E. McGowan

WAIVER OF NOTICE

The undersigned R. C. Patterson, Jr. hereby waives all notice of the time and place of holding the adjourned meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation of April 6, 1953, and consents and agrees that such meeting may be reconvened and held at the offices of the company, 3165 Pacific Highway, San Diego, California, on Friday, April 17, 1953, at 11:00 a.m. Pacific Standard Time, and further agrees that at said reconvened meeting the Bylaws of the corporation may be amended by increasing the number of directors from twelve to nineteen.

Dated at New York, New York, this 16th day of April, 1953.



R. C. Patterson, Jr.

MINUTE OF MEETING

The undersigned R. E. Patterson, Jr. hereby

waives all notice of the time and place of holding the
adjourned meeting of the Board of Directors of Consolidated
United Aircraft Corporation of April 6, 1953, and consents
and agrees that such meeting may be reconvened and held at
the offices of the company, 3105 Pacific Highway, San Diego,
California, on Friday, April 17, 1953, at 11:00 a.m. Pacific
Standard Time, and further agrees that at said reconvened
meeting the Bylaws of the corporation may be amended by
increasing the number of directors from twelve to nineteen.
Dated at New York, New York, this 16th day of

April, 1953.

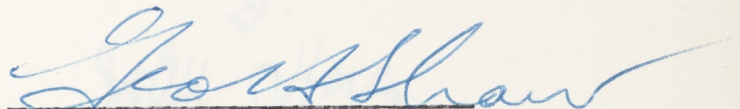


R. E. Patterson, Jr.

WAIVER OF NOTICE

The undersigned George H. Shaw hereby waives all notice of the time and place of holding the adjourned meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation of April 6, 1953, and consents and agrees that such meeting may be reconvened and held at the offices of the company, 3165 Pacific Highway, San Diego, California, on Friday, April 17, 1953, at 11:00 a.m. Pacific Standard Time, and further agrees that at said reconvened meeting the Bylaws of the corporation may be amended by increasing the number of directors from twelve to nineteen.

Dated at New York, New York, this 16th day of April, 1953.



George H. Shaw

WAIVER OF NOTICE

The undersigned George E. Shaw hereby waives
all notice of the time and place of holding the adjourned
meeting of the Board of Directors of Consolidated Vultures
Limited Corporation at April 6, 1953, and consents and
agrees that such meeting may be reconvened and held at
the office of the company, 2105 Pacific Highway, San
Diego, California, on Friday, April 17, 1953, at 11:00 a.m.
Pacific Standard Time, and further agrees that at said
reconvened meeting the Board of the corporation may be
authorized by increasing the number of directors from twelve
to fifteen.

Dated at New York, New York, this 10th day of

April, 1953.

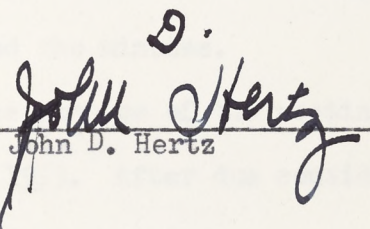

George E. Shaw

31

WAIVER OF NOTICE

The undersigned John D. Hertz hereby waives all notice of the time and place of holding the adjourned meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation of April 6, 1953, and consents and agrees that such meeting may be reconvened and held at the offices of the company, 3165 Pacific Highway, San Diego, California, on Friday, April 17, 1953, at 11:00 a.m. Pacific Standard Time, and further agrees that at said reconvened meeting the Bylaws of the corporation may be amended by increasing the number of directors from twelve to nineteen.

Dated at Cary, Illinois, this 16th day of April, 1953.

D.


John D. Hertz

ARTICLE IV

The undersigned John D. Harte hereby agrees
all notice of the time and place of holding the adjourned
meeting of the Board of Directors of Consolidated Water
Power Corporation of April 6, 1953, and consents and
agrees that such meeting may be reconvened and held at
the offices of the company, 1125 Pacific Highway, San
Jose, California, on Friday, April 17, 1953, at 11:00 a.m.
Pacific Standard Time, and further agrees that at said
reconvened meeting the Board of the corporation may be
assisted by interviewing the number of directors from twelve
to nineteen.

Dated at San Jose, California, this 16th day of

April, 1953.

3.

John D. Harte

MINUTES OF THE ADJOURNED MEETING
OF THE BOARD OF DIRECTORS
OF CONSOLIDATED VULTEE AIRCRAFT CORPORATION
OF APRIL 6, 1953, WHICH RECONVENED ON
FRIDAY, APRIL 17, 1953

A meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation held on April 6, 1953, reconvened at the general offices of the company in San Diego, California, on Friday, April 17, 1953, at 11:00 a.m. Pacific Standard Time.

The following directors were present at the reconvened meeting and constituted a quorum for the transaction of business:

Floyd B. Odium	Oswald L. Johnston
LaMotte T. Cohu	I. M. Laddon
George H. Howard	Joseph T. McNamey
S. R. Inch	W. C. Rockefeller

Messrs. Robert B. Watts, Vice President and General Counsel, L. W. Miller, Vice President, and John Jay Hopkins, Chairman of the Board and President of General Dynamics Corporation and a director nominee, were present by invitation.

Mr. Floyd B. Odium, Chairman, presided at the meeting and Mr. Edmund Burke, Secretary, recorded the minutes.

1. The Secretary presented the minutes of the meeting of the Board of Directors held on April 6, 1953. After due consideration the minutes of this meeting were approved as recorded.

2. The Chairman next suggested that consideration be given to the declaration of a quarterly dividend on the common stock of the

MINUTES OF THE ANNUAL MEETING
OF THE BOARD OF DIRECTORS
OF THE ALBERTA TRADING COMPANY
Held at Calgary, Alberta, on April 12, 1922

A meeting of the Board of Directors of the Alberta Trading Company was held at the general offices of the company in San Diego, California, on Friday, April 12, 1922, at 11:00 a.m. The following directors were present at the meeting:

George E. Johnson I. E. Johnson George E. Johnson E. E. Johnson	Frank E. Johnson George E. Johnson George E. Johnson E. E. Johnson
--	---

Also present were Messrs. Robert E. Johnson, Vice President and General Counsel, J. E. Johnson, Vice President, and John W. Johnson, Chairman of the Board and President of the Alberta Trading Company.

At a director meeting, held at the same place, the following resolutions were passed:

1. The Secretary presented the minutes of the meeting of the Board of Directors held on April 6, 1922. After the consideration of the minutes of this meeting was approved as recorded.
2. The Chairman reported that the company had received a letter from the Board of Directors of the Alberta Trading Company, dated April 6, 1922, in which the Board of Directors of the Alberta Trading Company had requested that the company should be given the benefit of a grant of \$10,000.00 for the purpose of the company.

company. After due consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that a quarterly dividend of 45 cents a share on the outstanding common stock of this company be and it hereby is declared and ordered paid on May 25, 1953 to the holders of said common stock of record at the close of business on May 15, 1953; and be it further

RESOLVED that the officers of the company be and they hereby are authorized and instructed to deliver to The Chase National Bank of the City of New York, the Dividend Disbursing Agent of the company, the funds required to make the foregoing cash disbursements, and The Chase National Bank of the City of New York, acting as Dividend Disbursing Agent, is instructed to disburse the dividends to the holders of record in accordance with the terms of the foregoing resolutions.

3. Pursuant to a written notice of intention given to all directors, the Chairman then presented a proposal to amend the Bylaws of the company. All the directors being present except Messrs. John D. Hertz, Donald N. McDonnell, R. C. Patterson, Jr. and George H. Shaw, from whom waivers were presented agreeing that the Bylaws might be so amended, there followed discussion and consideration after which, and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted, the said adoption being upon the affirmative vote of the majority of the entire Board then in office:

RESOLVED that effective concurrently with the convening of the special (in lieu of annual) meeting of stockholders of the corporation on May 15, 1953, the first sentence of Section 1, Article III of the Bylaws of the corporation be and it is hereby amended to read as follows:

company. After the consideration and upon a motion duly made,

seconded and unanimously carried, the following resolutions

were adopted:

RESOLVED that a quarterly dividend of 15 cents a share on the outstanding common stock of this company be and it hereby is declared and ordered to be paid on May 15, 1933 to the holders of said common stock of record at the close of business on May 12, 1933 and in full.

RESOLVED that the officers of the company be and they hereby are authorized and instructed to deliver to The Chase National Bank of the City of New York, The National City Bank of New York, The First National Bank of New York, the First National Bank of New York, each of which banks is a member of the Federal Reserve Bank of New York, and the Chase National Bank of the City of New York, notice as provided hereunder, to instruct to deliver the dividends to the holders of record in accordance with the terms of the foregoing resolutions.

3. Pursuant to a written notice of intention given to

all directors, the Chairman then presented a proposal to amend

the Bylaws of the company. All the directors being present except

Messrs. John D. Harbo, Donald H. McKinnell, R. C. Patterson, Jr.

and George H. Shaw, two whose names were presented appearing

that the Bylaws might be so amended, there followed discussion

and consideration after which, and upon a motion duly made,

seconded and unanimously carried, the following resolution was

adopted, the said adoption being upon the affirmative vote of

the majority of the entire Board then in office:

RESOLVED that effective immediately with the convening of the special (the first of annual) meeting of stockholders of the corporation on May 15, 1933, the first sentence of Section 1, Article III of the Bylaws of the corporation be and it is hereby amended to read as follows:

"The property and business of the corporation shall be managed and controlled by the Board of Directors, consisting of nineteen persons."

4. There was next presented a proposal to appoint The First National Bank of Jersey City (New Jersey) a co-transfer agent for the common stock of the company, effective May 1, 1953. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that effective May 1, 1953, The First National Bank of Jersey City (New Jersey) be and it hereby is appointed Co-Transfer Agent for the Common Stock of this Corporation to act in conjunction with The Chase National Bank of the City of New York, Transfer Agent for the Common Stock of this Corporation (hereinafter referred to as the "New York Transfer Agent") and Manufacturers Trust Company, Registrar for the Common Stock of this Corporation so that certificates for said Common Stock shall be interchangeably transferable in the Cities of New York, New York and Jersey City, New Jersey, and in such connection to act in accordance with its general practice and with the regulations set forth in the pamphlet submitted to and approved by this meeting entitled "Regulations of The First National Bank of Jersey City (New Jersey) for the transfer and registration of stock", and the Secretary is hereby directed to mark a copy of such pamphlet for identification and to file the same with the minutes of this meeting; and further

RESOLVED that the resolutions heretofore adopted by the Board of Directors of this Corporation relating to the appointment of The Chase National Bank of the City of New York as Transfer Agent for the Common Stock of this Corporation and Manufacturers Trust Company as Registrar for the Common Stock of this Corporation be and all such resolutions hereby are amended only to the extent that The First National Bank of Jersey City (New Jersey) shall act as Co-Transfer Agent for said Common Stock in conjunction with The Chase National Bank of the City of New York as Transfer Agent and Manufacturers Trust Company as Registrar for the Common Stock of this Corporation and that such Registrar be and it hereby is authorized and directed to record in its Register and countersign and deliver certificates for

"The property and business of the corporation shall be managed and controlled by the Board of Directors, consisting of nineteen persons."

2. There was next presented a proposal to appoint the First National Bank of Jersey City (New Jersey) a co-trustee agent for the common stock of the company, effective May 1, 1923. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that effective May 1, 1923, the First National Bank of Jersey City (New Jersey) be and it hereby is appointed co-trustee agent for the common stock of this corporation to act in conjunction with the Chase National Bank of the City of New York, the trustee agent for the common stock of this corporation (hereinafter referred to as the "New York Trustee Agent") and hereinafter Trust Company, hereinafter for the common stock of this corporation as that certificate for said common stock shall be indorsed by transfer, and in the City of New York, New York and Jersey City, New Jersey, and in such places as to act in accordance with the general practice and with the resolutions set forth in the paragraph submitted to and approved by this meeting entitled "Resolutions of the First National Bank of Jersey City (New Jersey) for the transfer and registration of stock," and the Company is hereby directed to make a copy of such paragraph for identification and to file the same with the minutes of this meeting and further

RESOLVED that the resolutions hereinafter adopted by the Board of Directors of this corporation relating to the appointment of the Chase National Bank of the City of New York as Trustee Agent for the common stock of this corporation and hereinafter Trust Company as Trustee Agent for the common stock of this corporation be and all such resolutions hereby are amended only to the extent that the First National Bank of Jersey City (New Jersey) shall act as co-trustee agent for said common stock in conjunction with the Chase National Bank of the City of New York as Trustee Agent and hereinafter Trust Company as Trustee Agent for the common stock of this corporation and that each hereby be and it hereby is authorized and directed to record in its register and corporate and delivery certificates for

Common Stock of this Corporation in the same manner with respect to The First National Bank of Jersey City (New Jersey) as heretofore authorized with respect to the New York Transfer Agent and to perform its other duties as such Registrar in like manner; and further

RESOLVED that the fact of the recording and countersignature of new certificates, whether by way of original issue or upon transfer, shall be advised daily by mail by the Transfer Agent countersigning the same to its Co-Transfer Agent; and further

RESOLVED that each Transfer Agent shall be fully protected and held harmless by this Corporation by reason of the failure or refusal of either such Transfer Agents to transfer any certificates countersigned by its Co-Transfer Agent when it shall not have received notice of the issue or countersignature of such certificate and that neither of said Transfer Agents shall be in any manner liable for any act or omission of the other as such Transfer Agent.

5. It was then stated that a need existed in the Controller's office for check signing authority on the part of the holder of the title "Director of General Accounting", for use in connection with a General Office Disbursement Account maintained with the Bank of America N. T. & S. A., Five Points Branch in San Diego, California. Upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the resolutions adopted by the Board of Directors on December 12, 1952, designating Bank of America N. T. & S. A., Five Points Branch, San Diego, California, as a depository of funds of the company for a general office bank account entitled Consolidated Vultee Aircraft Corporation General Office Disbursement Account, be and they hereby are amended as follows:

General Bank of this Corporation in the same manner with respect to the First National Bank of Jersey City (New Jersey) as previously authorized with respect to the New York Transfer Agent and to persons the other duties as such Agent in the manner and further

RESOLVED that the fact of the recording and maintenance of new certificates, whether by way of original issue or upon transfer, shall be advised daily by mail by the Transfer Agent concerning the same to the Co-Transfer Agent and further

RESOLVED that each Transfer Agent shall be fully protected and held harmless by this Corporation by reason of the failure or refusal of either such Transfer Agent to transfer any certificates maintained by the Co-Transfer Agent when it shall not have received notice of the same or maintenance of such certificates and that neither of said Transfer Agents shall be in any manner liable for any act or omission of the other as such Transfer Agent.

It was then stated that a need existed in the Corporation's

office for bank clearing authority on the part of the holder of the title "Director of General Accounting," for use in connection with a

General Office Department account maintained with the Bank of America N. Y. & C. A., Five Points Branch in San Diego, California.

Upon a motion duly made, seconded and unanimously carried, the

following resolution was adopted:

RESOLVED that the resolutions adopted by the Board of Directors on December 15, 1922, designating Bank of America N. Y. & C. A., Five Points Branch, San Diego, California, as a depository of funds of the company for a general office bank account entitled Generalized Title Account Corporation General Office Department Account, be and they hereby are amended as follows:

By eliminating in the second RESOLVED clause the phrase

"and the other signatory is either the Controller or any Assistant Controller",

and substituting therefor the phrase

"and the other signatory is either the Controller, any Assistant Controller or the Director of General Accounting."

By adding the title "Director of General Accounting" to the lists of titles appearing in the second and third RESOLVED clauses.

6. A request for a contribution of \$6,000 to the San Diego Society for Crippled Children Hospital Fund was next presented and upon a motion duly made, seconded and unanimously carried, this contribution was approved.

7. The financial statements as of March 31, 1953 were then received, discussed and filed.

At this point Messrs. Naish, Executive Vice President; Biron, Vice President; Lanphier, Vice President and Assistant to the President; Sebold, Vice President; Zevely, Director of Contracts; and Coggan and Esenwein, Division Managers, entered the room.

8. General McNarney next led in the presentation of an extended report on the progress of the company, in which report Messrs. Naish, Biron, Lanphier, Miller, Sebold, Watts, Zevely, Coggan and Esenwein participated.

by eliminating in the second REVENUE class the

persons

and the other category is either the
"Controller or any Assistant Controller,"

and substituting therein the phrase

"and the other category is either the
"Controller, any Assistant Controller or
the Director of General Accounting."

By adding the title "Director of General Accounting"
to the list of titles appearing in the second and
third REVENUE classes.

4. A request for a contribution of \$5,000 to the San

Francisco Society for Crippled Children Hospital fund was next presented

and upon a motion duly made, seconded and unanimously carried, this

contribution was approved.

5. The financial statements as of March 31, 1933 were

then received, discussed and filed.

At this point Messrs. Ketch, Executive Vice President;

Wynn, Vice President; Langhorne, Vice President and Assistant to the

President; Scholtz, Vice President; Lavelle, Director of Administration; and

Logan and Kneass, Division Managers, entered the room.

6. General Kneass next had in the presentation of an

annual report on the progress of the company, in which report

Messrs. Ketch, Wynn, Langhorne, Scholtz, Lavelle, Kneass,

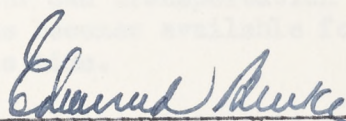
Logan and Kneass participated.

9. Mr. Hopkins then commented on the reports presented by the management and suggested that similar reports be presented at the forthcoming annual meeting of the Board.

10. It was next suggested that consideration be given to an anticipated invoice to be submitted by Mr. George E. Allen of Washington, D. C. for services rendered to the company by him. After consideration and upon a motion duly made, seconded and unanimously carried, the officers of the company were authorized to pay a fee of not to exceed \$15,000 to Mr. George E. Allen for services rendered by him, upon Mr. Allen's presentation of an invoice for such services.

11. The Chairman then announced that the next meeting of the Board, as presently constituted, will be held in San Diego on May 15, 1953, immediately preceding the special (in lieu of annual) meeting of the stockholders of the company, and that the annual meeting of the then elected Board of Directors will be held in San Diego on the same date immediately following the special (in lieu of annual) meeting of stockholders.

12. There being no further business to come before the meeting, it was thereupon adjourned.



Edmund Burke, Secretary

9. Mr. Hopkins then commented on the reports presented by the management and suggested that similar reports be presented at the forthcoming annual meeting of the Board.

10. It was next suggested that consideration be given to an anticipated invoice to be submitted by Mr. George E. Allen of Washington, D. C. for services rendered to the company by him. After consideration and upon a motion duly made, seconded and unanimously carried, the officers of the company were authorized to pay a fee of not to exceed \$15,000 to Mr. George E. Allen for services rendered by him, upon Mr. Allen's presentation of an invoice for such services.

11. The Chairman then announced that the next meeting of the Board, as presently constituted, will be held in San Diego on May 12, 1933, immediately preceding the special (in lieu of annual) meeting of the stockholders of the company, and that the annual meeting of the then elected Board of Directors will be held in San Diego on the same date immediately following the special (in lieu of annual) meeting of stockholders.

12. There being no further business to come before the meeting, it was thereupon adjourned.

James M. [Signature]
 Secretary

April 29, 1953

To: John D. Hertz (Cary, Illinois
and Paris, Kentucky)
George H. Howard
Oswald L. Johnston

Donald N. McDonnell
R. C. Patterson, Jr.
George H. Shaw

Mr. Odum has instructed me to notify you of the following meetings to be held on Friday, May 15, 1953:

The presently constituted Board of Directors of this company will meet at the offices of the company in San Diego at 10:15 a.m. Pacific Daylight Saving Time, for the transaction of any business that may properly come before the meeting.

A special (in lieu of annual) meeting of stockholders of this company will convene at the offices of the company in San Diego at 11:00 a.m. Pacific Daylight Saving Time.

The newly elected Board of Directors of this company will meet at the offices of the company in San Diego, immediately following the adjournment of the stockholders meeting, for the transaction of any business that may properly come before the meeting.

Director nominees not presently directors are invited to attend the meeting of the presently constituted Board, and retiring directors are invited to attend the meeting of the newly elected Board.

You are asked to arrange for your own transportation to and from San Diego. If a company airplane becomes available for your use, you will be so informed in ample time.

Please use the accompanying copy of this letter to tell us whether you will attend the meetings and whether you want us to make a hotel reservation for you in San Diego.

Yours truly

Edmund Burke, Secretary

April 29, 1953

To: John B. Hertz (Gary, Illinois)
and Lewis, Kentucky)
George H. Hertz
Donald J. Johnston
Donald H. Hertz
R. C. Patterson, Jr.
George H. Hertz

Mr. Hertz has instructed me to notify you of the following meeting to be held on Friday, May 15, 1953:

The presently constituted Board of Directors of this company will meet at the office of the company in San Diego at 10:15 a.m. Pacific Daylight Saving Time, for the transaction of any business that may properly come before the meeting.

A special (in lieu of annual) meeting of stockholders of this company will convene at the office of the company in San Diego at 11:00 a.m. Pacific Daylight Saving Time.

The newly elected Board of Directors of this company will meet at the office of the company in San Diego immediately following the adjournment of the stockholders' meeting, for the transaction of any business that may properly come before the meeting.

Director Hertz and presently directors are invited to attend the meeting of the presently constituted Board, and wishing directors are invited to attend the meeting of the newly elected Board.

You are asked to arrange for your own transportation to and from San Diego. If a company airplane becomes available for your use, you will be so informed in separate letter.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting and whether you want us to make a hotel reservation for you in San Diego.

Yours truly,

Donald Hertz, Secretary

April 29, 1953

To: Ellsworth C. Alvord
George W. Codrington
Lambert J. Gross
Roger I. Harris
John Jay Hopkins

Henry M. Marx
C. M. Miller
J. Geoffrey Notman
Lawrence B. Richardson
O. P. Robinson, Jr.

Mr. Odum has instructed me to notify you of the following meetings to be held on Friday, May 15, 1953:

The presently constituted Board of Directors of this company will meet at the offices of the company in San Diego at 10:15 a.m. Pacific Daylight Saving Time, for the transaction of any business that may properly come before the meeting.

A special (in lieu of annual) meeting of stockholders of this company will convene at the offices of the company in San Diego at 11:00 a.m. Pacific Daylight Saving Time.

The newly elected Board of Directors of this company will meet at the offices of the company in San Diego, immediately following the adjournment of the stockholders meeting, for the transaction of any business that may properly come before the meeting.

Director nominees not presently directors are invited to attend the meeting of the presently constituted Board, and retiring directors are invited to attend the meeting of the newly elected Board.

You are asked to arrange for your own transportation to and from San Diego. If a company airplane becomes available for your use, you will be so informed in ample time.

Hotel arrangements will be made for you through the offices of Mr. Harris of General Dynamics, who will coordinate with the Convair offices in San Diego.

Please use the accompanying copy of this letter to tell us whether you will attend the meetings.

Yours truly

Edmund Burke, Secretary

April 25, 1933

Henry H. Hawk
C. M. Miller
J. Geoffrey Holmes
Lawrence S. Richardson
C. F. Robinson, Jr.

For: Winthrop C. Alvord
George W. Ostrington
Lambert J. Gross
Roger L. Harris
John Jay Hopkins

Mr. O'Brien has instructed me to notify you of the following meetings to be held on Friday, May 12, 1933:

The presently constituted Board of Directors of this company will meet at the office of the company in San Diego at 10:15 a.m. Pacific Daylight Saving Time, for the transaction of any business that may properly come before the meeting.

A special (in lieu of annual) meeting of stockholders of this company will convene at the office of the company in San Diego at 11:00 a.m. Pacific Daylight Saving Time.

The newly elected Board of Directors of this company will meet at the office of the company in San Diego, immediately following the adjournment of the stockholders meeting, for the transaction of any business that may properly come before the meeting.

Director positions not presently directors are invited to attend the meeting of the presently constituted Board, and other directors are invited to attend the meeting of the newly elected Board.

You are asked to arrange for your own transportation to and from San Diego. If a company airplane becomes available for your use, you will be so informed in ample time.

Hotel arrangements will be made for you through the offices of Mr. Harris of General Services, who will coordinate with the Convair offices in San Diego.

Please use the accompanying copy of this letter to tell us whether you will attend the meetings.

Yours truly

Edward J. Gurnea, Secretary

April 29, 1953

To: LaMotte T. Cohu
S. R. Inch
I. M. Laddon
Joseph T. McNarney

J. V. Naish
W. C. Rockefeller
Robert B. Watts

Mr. Odlum has instructed me to notify you of the following meetings to be held on Friday, May 15, 1953:

The presently constituted Board of Directors of this company will meet at the offices of the company in San Diego at 10:15 a.m. Pacific Daylight Saving Time, for the transaction of any business that may properly come before the meeting.

A special (in lieu of annual) meeting of stockholders of this company will convene at the offices of the company in San Diego at 11:00 a.m. Pacific Daylight Saving Time.

The newly elected Board of Directors of this company will meet at the offices of the company in San Diego, immediately following the adjournment of the stockholders meeting, for the transaction of any business that may properly come before the meeting.

Director nominees not presently directors are invited to attend the meeting of the presently constituted Board, and retiring directors are invited to attend the meeting of the newly elected Board.

Please use the accompanying copy of this letter to tell us whether you will attend the meetings.

Yours truly

Edmund Burke, Secretary

April 22, 1933

J. V. Walsh
W. C. Rosenbloom
Robert H. Wells

To: Lafayette T. Dean
S. A. Lusk
I. H. Lusk
Joseph T. McHenry

Mr. Dean has instructed me to notify you of the following meetings to be held on Friday, May 12, 1933:

The presently constituted Board of Directors of this company will meet at the office of the company in San Diego at 10:15 a.m. Pacific daylight saving time, for the transaction of any business that may properly come before the meeting.

A special (in lieu of annual) meeting of stockholders of this company will convene at the office of the company in San Diego at 11:00 a.m. Pacific daylight saving time.

The newly elected Board of Directors of this company will meet at the office of the company in San Diego, immediately following the adjournment of the stockholders meeting, for the transaction of any business that may properly come before the meeting.

Director members not presently directors are invited to attend the meeting of the presently constituted Board, and retiring directors are invited to attend the meeting of the newly elected Board.

Please use the accompanying copy of this letter to tell us whether you will attend the meetings.

Yours truly,

Edward Burke, Secretary

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF
CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD AT 10:15 A.M. FRIDAY, MAY 15, 1953

A meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at the general offices of the company in San Diego, California, on Friday, May 15, 1953, at 10:15 a.m. Pacific Daylight Saving Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

Floyd B. Odlum	Donald N. McDonnell
LaMotte T. Cohu	Joseph T. McNarney
S. R. Inch	R. C. Patterson, Jr.
I. M. Laddon	W. C. Rockefeller

The following directors were absent:

John D. Hertz	Oswald L. Johnston
George H. Howard	George H. Shaw

Robert B. Watts, Vice President and General Counsel; and Ellsworth C. Alvord; George W. Codrington; Lambert J. Gross; Roger I. Harris; John Jay Hopkins; Henry M. Marx; Clifton M. Miller; J. V. Naish; J. Geoffrey Notman; O. P. Robinson, Jr.; Lawrence B. Richardson, director nominees; and Mr. Frank Pace, Jr., Executive Vice President of General Dynamics Corporation, were present by invitation.

Floyd B. Odlum, Chairman, presided at the meeting and Edmund Burke, Secretary, recorded the minutes.

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF
CONSOLIDATED VALUE AIRCRAFT CORPORATION
HELD AT 10:15 A.M. FRIDAY, MAY 12, 1933

A meeting of the Board of Directors of Consolidated Value Aircraft Corporation was held at the general offices of the company in San Diego, California, on Friday, May 12, 1933, at 10:15 a.m. Leslie Layton being then, pursuant to notice given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting:

and constituted a quorum for the transaction of business:

Leslie Layton	Floyd S. Odum
Joseph F. Robinson	Laurette T. Odum
R. G. Patterson, Jr.	R. H. Lamb
R. G. Robinson	J. H. Lamb

The following directors were absent:

Orville L. Robinson	John D. Harris
George H. Shaw	George H. Howard

Robert B. White, Vice President and General Counsel; and

Elmer C. Alford; George W. Gehringer; Robert J. Gross;

Robert T. Harris; John W. Hoskins; Harry H. Hertz; Clifton M. Miller;

J. V. Walsh; J. Geoffrey Norman; C. E. Robinson, Jr.; Lawrence B.

Robinson, director; and Mr. Frank Pace, Jr., Executive

Vice President of General Aviation Corporation, were present by

invitation.

Floyd S. Odum, Chairman, presided at the meeting and

Edward Burke, Secretary, recorded the minutes.

5/15/53

1. The Secretary presented the minutes of the adjourned meeting of the Board of Directors of April 6, 1953, which reconvened on Friday, April 17, 1953. After due consideration the minutes of this meeting were approved as recorded.

2. It was then suggested that the existing expense allowance for the Chairman of the Board, which was established by the Board of Directors at a meeting held on October 21, 1952, be terminated, following full payment of the expense allowance to the Chairman for the month of May 1953. Upon a motion duly made, seconded and carried by the unanimous vote of all directors present, except Mr. Odlum who was recorded as not voting, the expense allowance for the Chairman of the Board, established by action of the Board of Directors at a meeting held on October 21, 1952, was terminated, following payment to Mr. Odlum for the full month of May 1953.

3. The Chairman next made a general statement concerning the earnings and finances of the company.

4. Mr. McDonnell then presented the following resolution:

WHEREAS Floyd B. Odlum is retiring as Chairman of the Board of Directors of Consolidated Vultee Aircraft Corporation after five and one-half years of distinguished service; and

WHEREAS under his inspiring guidance, financial genius and patriotic leadership the company has achieved solid financial strength, organizational stability and outstanding performance in the production of commercial and military aircraft and allied products:

NOW, THEREFORE, BE IT RESOLVED:

That his colleagues and friends, the Board of Directors and officers of the corporation, herewith

1. The Secretary presented the minutes of the adjourned meeting of the Board of Directors of April 6, 1953, which recommended on Friday, April 17, 1953. After the consideration the minutes of this meeting were approved as recorded.

2. It was then suggested that the existing expense allowance for the Chairman of the Board, which was established by the Board of Directors at a meeting held on October 22, 1952, be terminated, following full payment of the expense allowance to the Chairman for the month of May 1953. Upon a motion duly made, seconded and carried by the unanimous vote of all directors present, except Mr. Olson who was recorded as not voting, the expense allowance for the Chairman of the Board, established by action of the Board of Directors at a meeting held on October 22, 1952, was terminated, following payment to Mr. Olson for the full month of May 1953.

3. The Chairman next made a general statement concerning

the earnings and finances of the company.

4. Mr. McManis then presented the following resolution:

WHEREAS Floyd E. Olson is retiring as Chairman of the Board of Directors of Consolidated Sales Aircraft Corporation after five and one-half years of distinguished service;

AND WHEREAS under his inspiring guidance, financial, general and patriotic leadership the company has achieved solid financial strength, operational stability and outstanding performance in the production of commercial and military aircraft and allied products;

NOW, THEREFORE, BE IT RESOLVED:

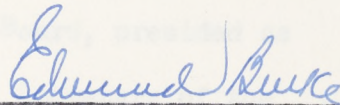
That his colleagues and friends, the Board of Directors and officers of the corporation, herewith

5/15/53

express their sincere appreciation of his outstanding services to the nation and to the corporation, their deep regret at his severance of a most cordial official relationship, and their hearty wishes for his continued success, health and happiness in his many activities.

Upon a motion duly made, seconded and carried by the unanimous vote of all directors present except Mr. Odium, who was recorded as not voting, the foregoing resolution was adopted and it was ordered that a copy be engrossed and presented to Mr. Odium.

5. There being no further business to come before the meeting, it was thereupon adjourned.



Edmund Burke, Secretary

2323

express their sincere appreciation of his outstanding services to the nation and to the corporation, their deep regret at his severance of a most cordial official relationship, and their hearty wishes for his continued success, health and happiness in his new activities.

Upon a motion duly made, seconded and carried by the

unanimous vote of all directors present except Mr. Oliver, who was

absent, the following resolution was adopted and

it was ordered that a copy be engrossed and presented to Mr. Oliver.

There being no further business to come before the

meeting, it was thereupon adjourned.

Charles H. Jones
 Secretary

MINUTES OF THE SPECIAL (IN LIEU OF ANNUAL)
MEETING OF STOCKHOLDERS OF
CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD FRIDAY, MAY 15, 1953

The special (in lieu of annual) meeting of stockholders of Consolidated Vultee Aircraft Corporation, a Delaware corporation, was held at the general offices of the company at San Diego, California, on Friday, May 15, 1953, at 11:00 a.m. Pacific Daylight Saving Time, pursuant to the Bylaws and notice duly given to all the stockholders of the company.

Floyd B. Odium, Chairman of the Board, presided as Chairman of the meeting, and Edmund Burke, Secretary of the company, recorded the minutes.

1. The Chairman requested the stockholders present to give their names to the Secretary of the meeting if they had not already done so and also stated that if any stockholders present had submitted a proxy and desired to withdraw it and vote in person he should notify the Secretary immediately.

2. The Secretary then presented the notice of the meeting which was ordered filed with the minutes of the meeting.

3. The Secretary next presented the affidavit of Melvin D. Lake, Assistant Cashier of The Chase National Bank of the City of New York, dated April 22, 1953, showing that on April 21, 1953, under his supervision, there was mailed to all registered holders

MINUTES OF THE SPECIAL (IN LIEU OF ANNUAL)
MEETING OF STOCKHOLDERS OF
CONSOLIDATED WATER SUPPLY CORPORATION
Held Friday, May 12, 1933

The special (in lieu of annual) meeting of stock-

holders of Consolidated Water Supply Corporation, a Delaware corporation, was held at the general offices of the company at San Diego, California, on Friday, May 12, 1933, at 11:00 a.m. Pacific daylight saving time, pursuant to the plans and notice duly given to all the stockholders of the company.

Frederic S. Coffey, Chairman of the Board, presided as

Chairman of the meeting, and Edward S. Coffey, Secretary of the

company, recorded the minutes.

1. The Chairman requested the stockholders present to give their names to the Secretary of the meeting if they had not already done so and also stated that if any stockholders present had submitted a proxy and desired to withdraw it and vote in person he should notify the Secretary immediately.

2. The Secretary then presented the notice of the meeting

which was ordered filed with the minutes of the meeting.

3. The Secretary next presented the affidavit of Edwin

B. Lohr, Assistant Secretary of the Census National Bank of the City

of New York, dated April 23, 1933, showing that on April 21, 1933,

under his supervision, there was mailed to all registered holders

of common stock of the company of record at the close of business April 17, 1953, a notice of the special (in lieu of annual) meeting of the stockholders of the company to be held May 15, 1953, and that the mailing was done by depositing the material, postage prepaid, in the United States Post Office, Church Street Station, in the City of New York, New York. The affidavit of Mr. Lake was thereupon approved and ordered filed with the records of the meeting.

4. The Secretary then presented to the meeting an alphabetical list of the stockholders of common stock of the company of record at the close of business April 17, 1953, certified to by The Chase National Bank of the City of New York, Transfer Agent of the company, showing that on the record date 2,379,298 shares of common stock of the company were issued and outstanding and entitled to vote at this meeting, and that a majority or quorum amounted to 1,189,649 shares. He stated that such list had been open to the examination of any stockholder for at least ten days prior to the meeting. The list remained open during the meeting to the examination of the stockholders.

5. The Chairman next announced that the minutes of the meetings of both the Board of Directors and the Executive Committee of the Board of Directors of the company which had been held since the date of the previous annual meeting of the stockholders of the company, were available at this meeting in the event any stockholders cared to examine these minutes.

of common stock of the company at record at the close of business April 17, 1953, a notice of the special (in lieu of annual) meeting of the stockholders of the company to be held May 12, 1953, and that the mailing was done by depositing the material, postage prepaid, in the United States Post Office, Church Street Station, in the City of New York, New York. The affidavit of Mr. John W. Thompson, approved and ordered filed with the records of the meeting.

1. The Secretary then presented to the meeting an alphabetical list of the stockholders of common stock of the company at record at the close of business April 17, 1953, certified to by The Chase National Bank of the City of New York, Transfer Agent of the company, showing that on the record date 2,372,528 shares of common stock of the company were issued and outstanding and entitled to vote at this meeting, and that a majority or greater amounted to 1,186,012 shares. He stated that such list had been open to the examination of any stockholder for at least ten days prior to the meeting. The list remained open during the meeting to the examination of the stockholders.

2. The Chairman next announced that the minutes of the meetings of both the Board of Directors and the Executive Committee of the Board of Directors of the company which had been held since the date of the previous annual meeting of the stockholders of the company, were available at this meeting in the event any stockholder should so examine them.

6. The Chairman then announced that the Board of Directors of the company had appointed R. C. Brockway and D. S. Devlin as Judges of Election for the purposes of the meeting. Messrs. Brockway and Devlin being present at the meeting, thereupon, at the request of the Chairman, verified and subscribed to the oath required by statute, the original of which accompanies these minutes.

7. The Judges next presented a report covering the number of shares represented by stockholders in person, the number of shares represented by proxy and the total number of shares represented and entitled to vote, which report stated that there were represented by stockholders present in person or by proxy:

	<u>Number of Shares</u>
Represented by stockholders in person	10
Various stockholders represented by Floyd B. Odium, LaMotte T. Cohu, Joseph T. McNarney, S. R. Inch, and Donald N. McDonnell, Proxies	<u>2,115,282</u>
Total	<u><u>2,115,292</u></u>

The Chairman accordingly reported that a quorum of the stockholders was present or represented at the meeting and declared that the same was legally convened for the transaction of business.

8. The Secretary then presented the minutes of the annual meeting of the stockholders of the company held on April 21, 1952. After due consideration, the minutes of this meeting were, upon a motion duly made and seconded, approved as recorded.

9. The Chairman next announced that the meeting would proceed with the election of 19 directors to serve the company,

4. The Chairman then announced that the Board of Directors of the company had appointed E. C. Brockway and D. S. Levin as Judges of Election for the purpose of the meeting. Messrs. Brockway and Levin being present at the meeting, thereupon, at the request of the Chairman, verified and subscribed to the cash reported by astatute, the original of which accompanied these minutes.

5. The Judges next presented a report covering the number of shares represented by stockholders in person, the number of shares represented by proxy and the total number of shares represented and entitled to vote, which report stated that there were represented by stockholders present in person or by proxy:

Report of Judges

in person	Represented by stockholders
	Various stockholders represented by
	Floyd B. Quinn, Lillian T. Quinn,
	Joseph T. Mahoney, S. E. Lusk,
	and Donald H. McDonald, Trustees
<u>2,119,282</u>	
<u>2,119,282</u>	Total

The Chairman accordingly reported that a quorum of the stockholders was present or represented at the meeting and declared that the same was legally convened for the transaction of business.

6. The Secretary then presented the minutes of the annual meeting of the stockholders of the company held on April 27, 1952. After due consideration, the minutes of this meeting were, upon a motion duly made and seconded, approved as recorded.

7. The Chairman next announced that the meeting would proceed with the election of 10 directors to serve the company.

subject to the provisions of its Bylaws, until the next annual meeting of the stockholders and until their successors are elected and qualified. Thereupon the following persons were nominated for election as directors of the company:

Ellsworth C. Alvord	Donald N. McDonnell
George W. Codrington	Joseph T. McNarney
LaMotte T. Cohu	Clifton M. Miller
Lambert J. Gross	J. V. Naish
Roger I. Harris	J. Geoffrey Notman
John D. Hertz	R. C. Patterson, Jr.
John Jay Hopkins	Lawrence B. Richardson
S. R. Inch	O. P. Robinson, Jr.
I. M. Laddon	W. C. Rockefeller
Henry M. Marx	

There being no further nominations, the Chairman announced that it would be in order to proceed with the voting by ballot for the election of a total of 19 directors, and requested the stockholders present in person and the persons representing stockholders by proxy to prepare their ballots and submit them to the Judges of Election.

10. The Judges next proceeded to conduct the voting by ballot, during which time matters of general interest to the stockholders were discussed by John Jay Hopkins, director nominee, and the following officers and executives of the company: Floyd B. Odium, Chairman of the Board; Joseph T. McNarney, President; J. V. Naish, Executive Vice President; B. F. Coggan, Division Manager; and A. C. Esenwein, Division Manager.

subject to the provisions of the bylaws, until the next annual meeting of the stockholders and until their successors are elected and qualified. Thereupon the following persons were nominated for election as directors of the company:

Donald W. McLaughlin	Elmer C. Alvord
Joseph T. McLaughlin	George W. Coburn
Elmer W. Miller	LeRoy T. Olson
J. V. Nelson	Robert J. Olson
J. George Nelson	Robert I. Nelson
E. G. Peterson, Jr.	John D. Nelson
Lawrence E. Richardson	John Jay Hopkins
E. J. Robinson, Jr.	E. J. Smith
W. C. Schaeffer	J. E. Smith
	Henry M. Smith

There being no further nominations, the Chairman announced that it would be in order to proceed with the voting by ballot for the election of a total of 12 directors, and requested the stockholders present in person and the persons representing stockholders by proxy to prepare their ballots and submit them to the judges of election.

10. The judges next proceeded to conduct the voting by ballot, during which time matters of general interest to the stockholders were discussed by John Jay Hopkins, director nominee, and the following officers and executives of the company: Floyd E. Olson, Chairman of the Board; Joseph T. McLaughlin, President; J. V. Nelson, Executive Vice President; E. J. Coburn, Division Manager; and A. E. Kinsman, Division Manager.

11. Upon a motion then duly made, seconded and unanimously carried, it was ordered that a digest of the statements made by Messrs. Odlum, Hopkins and McNarney be prepared in such form as may be approved by the Chairman of the Board, and copies of the digest mailed to all stockholders.

12. The Judges having canvassed the votes cast, next presented their report in writing of the results of the election, showing that the following 19 nominees had received the number of votes set opposite their respective names, and no votes had been cast for any other person:

<u>Name</u>	<u>Number Of Shares</u>
Ellsworth C. Alvord	2,115,172
George W. Codrington	2,115,172
LaMotte T. Cohu	2,115,182
Lambert J. Gross	2,115,172
Roger I. Harris	2,115,172
John D. Hertz	2,115,182
John Jay Hopkins	2,115,182
S. R. Inch	2,115,182
I. M. Laddon	2,115,182
Henry M. Marx	2,115,172
Donald N. McDonnell	2,115,182
Joseph T. McNarney	2,115,182
Clifton M. Miller	2,115,172
J. V. Naish	2,115,192
J. Geoffrey Notman	2,115,172
R. C. Patterson, Jr.	2,115,182
Lawrence B. Richardson	2,115,182
O. P. Robinson, Jr.	2,115,172
W. C. Rockefeller	2,115,182

The Chairman then announced that Ellsworth C. Alvord, George W. Codrington, LaMotte T. Cohu, Lambert J. Gross, Roger I. Harris, John D. Hertz, John Jay Hopkins, S. R. Inch, I. M. Laddon, Henry M. Marx, Donald N. McDonnell, Joseph T. McNarney, Clifton M. Miller, J. V. Naish,

11. Upon a motion then duly made, seconded and unanimously carried, it was ordered that a digest of the statements made by Messrs. Odum, Hopkins and Wilkerson be prepared in such form as may be approved by the Chairman of the Board, and copies of the digest mailed to all stockholders.

12. The judges having announced the votes cast, next presented their report in writing of the results of the election, showing that the following 19 members had received the number of votes not opposite their respective names, and no votes had been cast for any other persons:

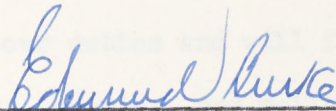
Number of Shares	Name
2,112,172	Elmer A. Alford
2,112,172	George W. Goddard
2,112,172	Lafayette T. Odum
2,112,172	Lambert J. Gross
2,112,172	Robert I. Harris
2,112,172	John D. Harris
2,112,172	John Jay Hopkins
2,112,172	S. H. Inch
2,112,172	I. M. Ladd
2,112,172	Henry K. Marx
2,112,172	Donald H. McManis
2,112,172	Joseph T. McManis
2,112,172	Clifton K. Miller
2,112,172	J. V. Walsh
2,112,172	J. Geoffrey Hobson
2,112,172	E. C. Patterson, Jr.
2,112,172	Lester B. Richardson
2,112,172	C. F. Robinson, Jr.
2,112,172	W. C. Rockafellow

The Chairman then announced that Elmer A. Alford, George W. Goddard, Lafayette T. Odum, Robert I. Harris, John D. Harris, John Jay Hopkins, S. H. Inch, I. M. Ladd, Henry K. Marx, Donald H. McManis, Joseph T. McManis, Clifton K. Miller, J. V. Walsh,

J. Geoffrey Notman, R. C. Patterson, Jr., Lawrence B. Richardson, O. P. Robinson, Jr., and W. C. Rockefeller, were duly elected directors to serve as such, subject to the provisions of the Bylaws, until the next annual meeting of the stockholders and until their successors are elected and qualified.

13. The stockholders present were next invited to attend a luncheon to be served immediately after the meeting was adjourned and thereafter either to make an escorted tour through certain unrestricted portions of the San Diego Division plant or to see a motion picture of San Diego Division operations.

14. There being no further business to come before the meeting, the same thereupon adjourned.



Edmund Burke, Secretary

1. Dudley Hobbs, E. E. Peterson, Jr., Lawrence E. Richardson,

2. E. Robinson, Jr., and E. C. Schaefer, were duly elected

directors to serve as such, subject to the provisions of the

Bylaws, until the next annual meeting of the stockholders and

until their successors are elected and qualified.

12. The stockholders present were next invited to attend

a business to be carried out immediately after the meeting was adjourned

and thereafter either to make an escorted tour through certain un-

restricted portions of the San Diego Division plant or to see a

motion picture of San Diego Division operations.

13. There being no further business to come before the

meeting, the same thereupon adjourned.

James H. Hume
General Manager

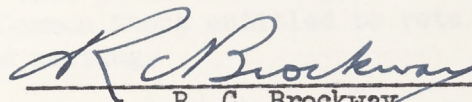
CONSOLIDATED VULTEE AIRCRAFT CORPORATION

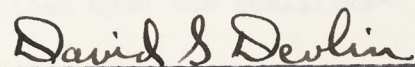
OATH OF JUDGES FOR CONDUCTING THE VOTING BY
BALLOT AT THE

SPECIAL (IN LIEU OF ANNUAL) MEETING OF STOCKHOLDERS
MAY 15, 1953

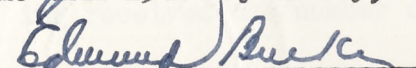
STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) ss.:

We, R. C. Brockway and David S. Devlin, duly appointed judges for conducting the vote by ballot at this Special (in lieu of Annual) Meeting of the holders of the Common Stock of Consolidated Vultee Aircraft Corporation, held this 15th day of May, 1953, do solemnly swear that we will faithfully and impartially perform our duties and will faithfully and diligently take charge of the ballots, proxies, and polls, and decide upon the qualification of voters, the validity of proxies, and the acceptance of or rejection of votes, canvass the votes cast, and honestly and truthfully report the results thereof, in accordance with the law and the Bylaws and the Certificate of Incorporation of said corporation.


R. C. Brockway


David S. Devlin

Subscribed and sworn to before
me this 15th day of May, 1953


Edmund Burke, Notary Public
My commission expires January 14, 1957.

CONSOLIDATED VULCAN ALUMINUM CORPORATION

ORDER OF JUDGES FOR CONDUCTING THE VOTING BY
BALLOT AT THE

SPECIAL (IN LIEU OF ANNUAL) MEETING OF SHAREHOLDERS
MAY 12, 1937

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

We, R. C. Broome and David S. Devlin, duly appointed judges
for conducting the vote by ballot at this Special (in lieu of Annual)
Meeting of the holders of the Common Stock of Consolidated Vulcan Aluminum
Corporation, held this 12th day of May, 1937, do solemnly swear that we
will faithfully and impartially perform our duties and will faithfully
and diligently take charge of the ballots, proxies, and polls, and decide
upon the qualification of voters, the validity of proxies, and the
acceptance of or rejection of votes, canvass the votes cast, and promptly
and truthfully report the results thereof, in accordance with the law and
the Bylaws and the Certificate of Incorporation of said corporation.


R. C. Broome


David S. Devlin

Subscribed and sworn to before
me this 12th day of May, 1937


Notary Public

My commission expires January 15, 1937

CONSOLIDATED VULTEE AIRCRAFT CORPORATION
San Diego, California

CERTIFICATE AND REPORT OF JUDGES OF ELECTION
MAY 15, 1953

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN DIEGO)

We, the undersigned, R. C. Brockway and David S. Devlin, being duly appointed Judges for the purpose of conducting the voting by ballot of the holders of the Common Stock of Consolidated Vultee Aircraft Corporation at the special (in lieu of annual) meeting of stockholders of said corporation, held on the 15th day of May, 1953, at 11:00 a.m. Pacific Daylight Saving Time, at the offices of the corporation in the City of San Diego, State of California, do hereby certify:

That we attended said special (in lieu of annual) meeting of the holders of the Common Stock of the corporation for the purpose aforesaid, and having taken an oath to conduct the vote by ballot did enter upon the performance of our duties as Judges in conducting the voting for the election of the directors of the corporation.

That we canvassed the ballots of the stockholders in accordance with the law and the Bylaws and Certificate of Incorporation of the corporation.

That out of a total of 2,379,298 shares of Common Stock issued and outstanding and entitled to vote as of the close of business on April 17, 1953, the date of record for determining the stockholders entitled to notice of and to vote at said meeting, stockholders holding more than a majority of the Common Stock entitled to vote were present in person or by proxy at said meeting.

That we, as Judges, took charge of the polls for the election of the directors as aforesaid, received the ballots cast by the stockholders present in person or by proxy and decided upon the qualifications of voters and the validity of proxies.

That we did receive the votes of the stockholders by ballot for the election of nineteen directors, said directors to serve until the next annual meeting of the Common stockholders or until their successors are respectively elected and qualified, and that the following received the number of votes set opposite their respective names:

CONSOLIDATED WATER AIRCRAFT CORPORATION
San Diego, California

CERTIFICATE AND REPORT OF JUDGES OF ELECTION
MAY 12, 1953

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

We, the undersigned, J. C. Brinkman and David S. Davis, being duly appointed judges for the purpose of conducting the voting by ballot of the holders of the Common Stock of Consolidated Water Aircraft Corporation at the special (in lieu of annual) meeting of stockholders of said corporation, held on the 12th day of May, 1953, at 11:00 a.m. Pacific Daylight Saving Time, at the offices of the corporation in the City of San Diego, State of California, do hereby certify:

That we attended said special (in lieu of annual) meeting of the holders of the Common Stock of the corporation for the purpose of voting by ballot, and having taken an oath to conduct the vote by ballot did enter upon the performance of our duties as judges in conducting the voting for the election of the directors of the corporation.

That we canvassed the ballots of the stockholders in accordance with the law and the Rules and Regulations of Incorporation of the corporation.

That out of a total of 2,372,292 shares of Common Stock issued and outstanding and entitled to vote as of the close of business on April 15, 1953, the date of record for determining the stockholders entitled to notice of and to vote at said meeting, stockholders holding more than a majority of the Common Stock entitled to vote were present in person or by proxy at said meeting.

That we, as judges, took charge of the polls for the election of the directors as aforesaid, received the ballots cast by the stockholders pursuant to person or by proxy and counted upon the galleries of voters and the validity of proxies.

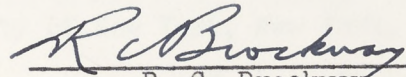
That we did receive the votes of the stockholders by ballot for the election of thirteen directors, said directors to serve until the next annual meeting of the Common Stockholders or until their successors are respectively elected and qualified, and that the following received the number of votes and opposite their respective names:

CONSOLIDATED VULTEE AIRCRAFT CORPORATION
San Diego, California

DIRECTORS REPRESENTING COMMON STOCKHOLDERS

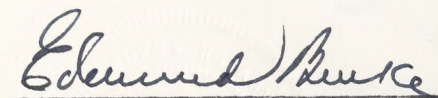
<u>Name</u>	<u>Number Of Shares</u>
Ellsworth C. Alvord	2,115,172
George W. Codrington	2,115,172
LaMotte T. Cohu	2,115,182
Lambert J. Gross	2,115,172
Roger I. Harris	2,115,172
John D. Hertz	2,115,182
John Jay Hopkins	2,115,182
S. R. Inch	2,115,182
I. M. Laddon	2,115,182
Henry M. Marx	2,115,172
Donald N. McDonnell	2,115,182
Joseph T. McNarney	2,115,182
Clifton M. Miller	2,115,172
J. V. Naish	2,115,192
J. Geoffrey Notman	2,115,172
R. C. Patterson, Jr.	2,115,182
Lawrence B. Richardson	2,115,182
O. P. Robinson, Jr.	2,115,172
W. C. Rockefeller	2,115,182

IN WITNESS WHEREOF, we have made this certificate and have
hereunto set our hands this 15th day of May, 1953.


R. C. Brockway


David S. Devlin

Subscribed and sworn to before
me this 15th day of May, 1953


Edmund Burke, Notary Public
My commission expires January 14, 1957.

CONSOLIDATED WATER AIRWAY CORPORATION
San Diego, California

DIRECTOR'S REPORT ON THE STOCKHOLDERS

<u>Number of</u>	<u>Shares</u>	<u>Name</u>
2,115,175		Elsworth C. Alford
2,115,175		George W. Coburn
2,115,182		Laurel T. Cohn
2,115,175		Laurel J. Gross
2,115,175		Roger I. Harris
2,115,182		John D. Harris
2,115,182		John J. Hopkins
2,115,182		R. S. Lash
2,115,182		T. M. Lash
2,115,175		Henry M. Marx
2,115,182		Donald W. McDonald
2,115,182		Joseph T. McNamara
2,115,175		Clifton W. Miller
2,115,182		J. V. Walsh
2,115,175		J. Geoffrey Kahan
2,115,182		R. C. Patterson, Jr.
2,115,182		Lawrence S. Richardson
2,115,175		O. F. Robinson, Jr.
2,115,182		W. C. Rockefeller

IN WITNESS WHEREOF, we have made this certificate and have hereunto set our hands this 15th day of May, 1937.

[Signature]
R. C. Patterson, Jr.

[Signature]
David T. Davis

Subscribed and sworn to before me this 15th day of May, 1937.

[Signature]
Notary Public

My commission expires January 15, 1937.

STATE OF NEW YORK)

)SS:

COUNTY OF NEW YORK)

That he is over 21 years of age and that he is an Assistant Cashier of

The Chase National Bank of the City of New York; that under his supervision and to the best of his knowledge and belief, and at the request and direction of Edmund Burke, Secretary of Consolidated Vultee Aircraft

Corporation, copies of the Notice of Special (in lieu of Annual) Meeting of the stockholders of said Company, a copy of which is hereto annexed, marked Exhibit "A", enclosed in sealed, postpaid envelopes, one of which was addressed to each holder of record of Common Stock of said Company as such holder's name and address appeared upon the books of the Company at the close of business on April 17, 1953, were mailed in the United States Post Office, Church Street Station, the City of New York, New York, on

April 21, 1953.

Sworn to before me this 22nd day of April 1953.

22nd day of April 1953.

James W. Corrigan

JAMES W. CORRIGAN
NOTARY PUBLIC in the State of New York
No. 41-5824600

Dated at San Diego, California No. 41-5824600
April 17, 1953 Qual. Queens Co. Cert. filed with
Greene, S.

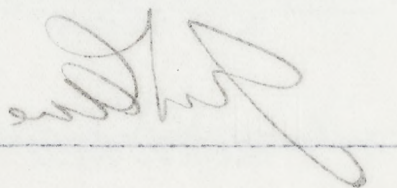
Qual. Queens Co. Cert. filed with
Queens. Co. Clk. and Register
N. Y. Co. Clk. and Register
My Commission expires March 30, 1954

MAILING AFFIDAVIT-SPECIAL (IN LIEU OF ANNUAL) MEETING

STATE OF NEW YORK)
(ss:
COUNTY OF NEW YORK)

MELVIN D. LAKE, being duly sworn, deposes and says:
That he is over 21 years of age and that he is an Assistant Cashier of
The Chase National Bank of the City of New York; that under his super-
vision and to the best of his knowledge and belief, and at the request
and direction of Edmund Burke, Secretary of Consolidated Value Aircraft
Corporation, copies of the Notice of Special (in lieu of Annual) Meeting
of the stockholders of said Company, a copy of which is hereto annexed,
marked Exhibit "A", enclosed in sealed, postpaid envelopes, one of which
was addressed to each holder of record of Common Stock of said Company as
such holder's name and address appeared upon the books of the Company at
the close of business on April 17, 1953, were mailed in the United States
Post Office, Church Street Station, the City of New York, New York, on

April 21, 1953.



Sworn to before me this

22nd day of April 1953.



JAMES W. CORRIGAN
NOTARY PUBLIC in the State of New York
No. 41-2824600
Qual. Queens Co. Cert. filed with
Queens Co. CLK. and Register
N. Y. Co. CLK. and Register
My Commission expires March 30, 1954



Exhibit "A"

CONSOLIDATED VULTEE AIRCRAFT CORPORATION

NOTICE OF SPECIAL (IN LIEU OF ANNUAL) MEETING OF STOCKHOLDERS

To the Stockholders of

CONSOLIDATED VULTEE AIRCRAFT CORPORATION:

Notice is hereby given that a special (in lieu of annual) meeting of stockholders of Consolidated Vultee Aircraft Corporation, a Delaware corporation (hereinafter called Convair) will be held at the general offices of Convair, Room 715, 3165 Pacific Highway, San Diego, California, on May 15, 1953, at 11 o'clock a.m., Pacific Daylight Saving Time, to consider and take action with respect to the following:

1. The election of 19 directors to hold office until the next annual meeting of stockholders and until their successors are elected and qualified.
2. The consideration of and action upon any other business which may properly come before the meeting or any adjournment or adjournments thereof.

The close of business on April 17, 1953, has been fixed as the record date for determining stockholders entitled to receive notice of and to vote at this special (in lieu of annual) meeting or any adjournment or adjournments thereof, and only stockholders of record at said time and date are entitled to receive notice of and to vote at said meeting. The transfer books of Convair will not be closed.

All stockholders are urged to attend the meeting, but if you are unable to do so the management respectfully requests that you sign, date and mail the enclosed proxy promptly in the enclosed addressed envelope which requires no postage if mailed within the United States. A majority of the outstanding Common Stock must be represented at the meeting to constitute a quorum for the transaction of business. Your prompt compliance with the foregoing request will be greatly appreciated.

By Order of the Board of Directors

EDMUND BURKE
Secretary

Dated at San Diego, California
April 17, 1953

CONSOLIDATED VULTEE AIRCRAFT CORPORATION

PROXY STATEMENT

The enclosed proxy is solicited by and on behalf of the management of Consolidated Vultee Aircraft Corporation (hereinafter called Convair) for use at the special (in lieu of annual) meeting of stockholders to be held on May 15, 1953, and is revocable at any time before it is exercised. Convair is bearing the cost of solicitation.

It is the intention of the persons named in the enclosed form of proxy to vote such proxies as are received by them for the election of the 19 nominees named herein to serve as directors until the next annual meeting of stockholders and until their successors are elected and qualified. However, in the event of contingencies not presently foreseen or expected by the management, the persons acting under the authority of said proxy may vote for the election of different persons designated by the management as directors of Convair for the aforesaid term.

The management knows of no business to be brought before the meeting except the election of directors. If, however, any other matters are presented at the meeting for action, it is intended that the persons named in the proxy (which confers discretionary authority with respect to transacting any such other business) will vote the proxy according to their best judgment. Common stock is the sole voting security of Convair. As of April 1, 1953, there were 2,379,298 shares of Common Stock outstanding. The holders of the Common Stock are entitled to one vote per share. Shares represented by all properly executed proxies delivered pursuant to this solicitation will be voted at the meeting.

ATLAS-GENERAL DYNAMICS AGREEMENT

On March 23, 1953, Atlas Corporation, the owner of 430,300 shares of Common Stock of Convair, entered into an agreement with General Dynamics Corporation providing for the sale by Atlas to General Dynamics of 400,000 shares of Common Stock of Convair. General Dynamics Corporation is engaged, directly, and indirectly through Canadair Limited, in the design, construction and conversion of submarines in the United States and in the design and manufacture of aircraft and spare parts in Canada. It is also engaged in the manufacture of electric motors and generators. At the present time, neither General Dynamics Corporation nor Canadair Limited is affiliated in any way with Convair or Atlas other than by virtue of the agreement above mentioned. Such agreement provides that the closing will be held simultaneously with the Convair stockholders' meeting scheduled to be held May 15, 1953 and the election as directors of the nominees hereinafter mentioned. It is expected that the Board of Directors of Convair will take action prior to May 15, 1953 to amend the By-Laws so as to provide for a Board of nineteen directors instead of twelve directors as presently provided.

INFORMATION CONCERNING NOMINEES

Name	Principal Occupation	Year First Elected Director	Approximate Number of Shares of Common Stock of Convair Beneficially Owned as of April 1, 1953	Approximate Number of Shares of Common Stock of Atlas Corporation Beneficially Owned as of April 1, 1953
ELLSWORTH C. ALVORD	Lawyer, Alvord & Alvord	*	200	None
GEORGE W. CODRINGTON	Retired; Director of the following companies, among others, Addressograph-Multigraph Corporation; General Dynamics Corporation; Canadair Limited	*	300	None
LAMOTTE T. COH�	Vice Chairman of the Board, Convair	1948	800	None
LAMBERT J. GROSS	Vice President and Comptroller, General Dynamics Corporation; Assistant to the Chairman of the Board—Finance and Accounts, Canadair Limited	*	100	None
ROGER I. HARRIS	Vice President and Counsel, General Dynamics Corporation; Assistant to the Chairman of Board—Legal Affairs, Canadair Limited	*	100	None
JOHN D. HERTZ	Partner, Lehman Brothers, Investment Bankers	1937	None	None
JOHN JAY HOPKINS	Director, Chairman of the Board and President, General Dynamics Corporation; Chairman of the Board and Managing Director, Canadair Limited	*	200	None
S. R. INCH	Director, Convair	1947	200	None
I. M. LADDON	Director, Convair; Rohr Aircraft Corp.; Menasco Manufacturing Company	1931	120	400**
HENRY M. MARX	Lawyer, Kramer, Marx, Greenlee & Backus	*	200	None
DONALD N. McDONNELL	Vice President, Blyth & Co., Inc., Investment Bankers	1941	100	None
JOSEPH T. McNARNEY	President and Director, Convair	1952	100	None
CLIFTON M. MILLER	Cattle Breeder and Farmer; Vice Chairman of the Executive Committee and Director, General Dynamics Corporation; Director, Canadair Limited	*	200	None
J. V. NAISH	Executive Vice President, Convair	*	1,800	None
J. GEOFFREY NOTMAN	President and Director, Canadair Limited; Senior Vice President and Director, General Dynamics Corporation	*	200	None
R. C. PATTERSON, JR.	United States Minister to Switzerland	1947	100	None
LAWRENCE B. RICHARDSON, Rear Admiral USN (Ret.)	Director and Senior Vice President, General Dynamics Corporation; Director and Vice Chairman of the Board, Canadair Limited	*	100	None
O. P. ROBINSON, JR.	Senior Vice President and Director, General Dynamics Corporation	*	200	None
W. C. ROCKEFELLER	Executive Assistant to the Chairman of the Board and Director, Convair	1947	3,000	None**

* These nominees have not previously been elected Directors of Convair but are included among the nominees provided for in the Atlas-General Dynamics Agreement mentioned above. A brief description of their business experience during the last five years is set forth below.

** Mr. Laddon and an associate are joint beneficiaries of a trust which owned 700 shares of Atlas Common Stock. Mr. Rockefeller owned option warrants to purchase 300 shares of Atlas Common Stock.

DESCRIPTION AND BUSINESS EXPERIENCE OF NEW NOMINEES DURING LAST FIVE YEARS

John Jay Hopkins has been Chief Executive Officer of General Dynamics Corporation (formerly Electric Boat Company) and of Canadair Limited.

Ellsworth C. Alvord has been a partner of the law firm of Alvord & Alvord, Washington, D. C., engaged in the general practice of the law.

George W. Codrington is now retired but continues as a Director of certain corporations, including Addressograph-Multigraph Corporation, General Dynamics Corporation and Canadair Limited. Until his retirement on December 31, 1952, he was Vice President of General Motors Corporation and General Manager of its Cleveland Diesel Division.

Lambert J. Gross has been the Financial and Accounting Officer of General Dynamics Corporation and of Canadair Limited.

Roger I. Harris, who is Vice President and Counsel for General Dynamics Corporation, was Assistant General Counsel for the Manhattan District and later the Atomic Energy Commission, Hanford, Washington from 1943 to 1951 and was Deputy General Counsel of the Atomic Energy Commission, Washington, D. C., from 1951 to 1952.

Henry M. Marx has been a partner of the law firm of Kramer, Marx, Greenlee & Backus, New York, N. Y., engaged in the general practice of the law.

Clifton M. Miller, who is Vice Chairman of the Executive Committee and a Director of General Dynamics Corporation as well as a Director of Canadair Limited, is a cattle breeder and farmer in Chestertown, Maryland.

J. V. Naish has been in the employ of Convair since September 1, 1949 and at various times he has held the positions of Director of Contracts and Director of Sales and Contracts. For more than four years prior to his employment by Convair he was employed by Northrop Aircraft, Inc., Hawthorne, California in the capacities of factory manager and director of materiel. He was elected a Vice President of Convair on June 21, 1950 and Executive Vice President on December 12, 1952.

J. Geoffrey Notman, who is Senior Vice President and Director of General Dynamics Corporation as well as President and a Director of Canadair Limited, was Manager of Manufacturing, Dominion Engineering Company Limited, Montreal, Canada until 1948 when he became Vice President, which position he held for two years. Since 1950 he has been associated with General Dynamics Corporation and Canadair Limited.

Lawrence B. Richardson, Rear Admiral USN (Ret.) was President of Fairchild Engine & Airplane Corporation from March 1948 to July 1949, when he became Director of Research and Development for that corporation, which position he held until December 1951. Since that time he has served as Senior Vice President of General Dynamics Corporation and Vice Chairman of the Board of Canadair Limited.

O. P. Robinson, Jr., who is Senior Vice President and Director of General Dynamics Corporation, formerly served as Vice President and General Manager of its Electric Boat Division, Groton, Connecticut.

REMUNERATION OF DIRECTORS AND OFFICERS FOR THE FISCAL YEAR 1952

The following information is furnished as to all remuneration paid by Convair during the last fiscal year to each director and each of the 3 largest paid officers whose aggregate remuneration

exceeded \$25,000; and all directors and officers of Convair as a group. Also shown is the total annual benefits proposed to be paid to each such person and to such group under Convair's Group Retirement Plan.

Name or Identity of Group	Capacities in Which Remuneration Was Received	Aggregate Remuneration	Proposed Annual Benefit Under Group Retirement Plan (a)
JOSEPH T. McNARNEY	President and Director	\$ 50,753	(b)
LaMOTTE T. COHû	Vice Chairman of the Board, President and Director	45,000	\$ 9,495
ROBERT B. WATTS	Vice President and General Counsel	38,000	13,227
W. C. ROCKEFELLER	Executive Assistant to the Chairman of the Board and Director	35,000	None
DIRECTORS AND OFFICERS AS A GROUP		504,165	93,631

NOTES:

- (a) The figures shown are estimates based on continued employment at present salaries to normal retirement date.
- (b) Does not participate, but see paragraph below.

A contingent deferred remuneration agreement exists with Joseph T. McNarney, President, under which he may qualify on April 1, 1957, for additional compensation, totaling \$50,040, payable over a ten year period or upon death, provided he complies with the conditions of his current contract of employment and such subsequent contracts of employment as may be entered into with him for the period to end March 31, 1967.

INTEREST OF DIRECTORS, NOMINEES AND OFFICERS IN TRANSACTIONS

Messrs. Oswald L. Johnston and George H. Howard, who are presently Directors of Convair, but who are not candidates for reelection as Directors, are partners in the law firm of Simpson Thacher & Bartlett. During the fiscal year 1952, fees of \$35,000 were accrued by Convair for services rendered by this firm. Not all these fees accrued to Mr. Johnston and Mr. Howard personally.

Messrs. Floyd B. Odum (who is presently a Director but who is not a candidate for reelection) and W. C. Rockefeller are officers and directors and Oswald L. Johnston is a director of San Diego Corporation which was organized by Convair for the purpose of the special dividend mentioned below, and to which, as a wholly-owned subsidiary, Convair transferred in December, 1952, \$1,360,000 in cash, oil properties having a book value of \$180,000 and a note in the face amount of \$1,700,000 in return for all of the 240,000 issued and outstanding shares of the capital stock of San Diego Corporation. On February 2, 1953, a dividend consisting of shares of capital stock of San Diego Corporation was distributed to Convair stockholders. This distribution reduced to approximately 2% the stock interest of San Diego Corporation owned by Convair and San Diego Corporation ceased to be a subsidiary of Convair.

Mr. Donald N. McDonnell is a director and a Vice President of Blyth & Co., Inc. and Mr. John D. Hertz is a partner in the firm of Lehman Brothers. During the fiscal year 1952 Convair sold through an underwriting group which included Blyth & Co., Inc. and Lehman Brothers, approximately \$1,500,000 of investment securities at the market value of such securities less underwriting discount and transfer taxes.

Messrs. Floyd B. Odlum, Oswald L. Johnston and W. C. Rockefeller are officers and directors of Airfleets, Inc. During the fiscal year 1952 in the ordinary course of business, Convair made purchases from, and sales to, Airfleets aggregating approximately \$100,000 and \$7,200, respectively. Throughout the fiscal year 1952, and at this date, Airfleets was, and is, indebted to Convair on notes aggregating \$2,037,240.04, such notes having been issued by Airfleets to Convair at the time Airfleets was formed for the purpose of acquiring certain Convair assets. These notes provide for interest at the rate of 4 per cent per annum payable quarterly. Interest has been paid to January 1, 1953. Three airplanes owned by Airfleets were leased to Convair for all or a portion of the fiscal year 1952. One of such airplanes was subleased on a part-time basis during such year to another corporation in which Mr. Odlum and an associate are substantial stockholders.

Mr. Floyd B. Odlum is a director and Mr. W. C. Rockefeller is an officer and director of Nutt-Shel Company, which manufactures nuts of a type used generally in the aircraft industry. During the fiscal year 1952 in the ordinary course of business, Convair made purchases from Nutt-Shel aggregating approximately \$139,100.

Messrs. Floyd B. Odlum and Oswald L. Johnston are officers and directors of Atlas Corporation, which corporation owned as of April 1, 1953, more than 10% of the outstanding equity securities of Northeast Airlines, Inc. During the fiscal year 1952 in the ordinary course of business, Convair made sales to Northeast Airlines aggregating approximately \$90,600, and Convair holds purchase orders for 5 Convair-Liner airplanes sold to Northeast Airlines for future delivery.

Mr. George H. Howard is a director of Electric Bond and Share Company. During the fiscal year 1952 Convair paid Ebasco Services, Incorporated, a subsidiary of Electric Bond and Share Company, \$20,820.97 as fees for engineering and consulting services rendered.

Mr. Oswald L. Johnston is a director of Manufacturers Trust Company, New York, N. Y., which is one of a group of banks party to a Credit Agreement with Convair, whereunder credit is made available to Convair.

Mr. I. M. Laddon is a director of Menasco Manufacturing Company and Rohr Aircraft Corp. During the fiscal year 1952 in the ordinary course of business, Convair made purchases from Menasco and Rohr aggregating approximately \$1,000,600 and \$7,168,300 respectively, and sales to Rohr aggregating approximately \$457,700.

Mr. George W. Codrington is a director of Addressograph-Multigraph Corporation. During the fiscal year 1952, in the ordinary course of business, Convair made purchases from Addressograph-Multigraph aggregating approximately \$60,000.

Pursuant to the terms of the Executive Officers' and Key Employees' Stock Purchase Plan, which was approved by the stockholders of Convair at a meeting held on April 17, 1950, certain officers of Convair purchased shares of Common Stock of Convair. In each instance the purchase price of said stock was \$10.50 per share which was the last sale price per share on the New York Stock Exchange on January 28, 1950, the business day preceding the day on which the purchases were made. Pursuant to the Plan a payment of 10% of the full purchase price was made at the time of each purchase. At the beginning of the fiscal year 1952 Messrs. LaMotte T. Cohû (Director, Nominee and Vice Chairman of the Board), R. C. Sebold (Vice President), R. H. Biron (Vice President) and V. C. Schorlemmer (former Secretary and Treasurer) were each indebted to Convair under such Plan in the amounts of \$28,350.00, \$20,204.10, \$2,835.00 and \$3,780.00, respectively, representing

installments in non-interest-bearing amounts maturing at subsequent dates (which amounts were the largest aggregate amounts of such indebtedness of such officers to Convair at any one time during the fiscal year 1952). These amounts of indebtedness were paid in full prior to January 1, 1953.

ANNUAL REPORT

On or about February 5, 1953, a copy of the Annual Report to Stockholders, including financial statements for the fiscal year ended November 30, 1952, was mailed to each stockholder as of January 21, 1953. A copy has since been mailed to each person becoming a stockholder from that date up to and including April 17, 1953, which is the record date for the determination of stockholders entitled to vote at the special (in lieu of annual) meeting. The Annual Report is not to be deemed a part of the soliciting material.

In addition to the solicitation of proxies by the use of mails, Convair will retain Georgeson & Co., New York, N. Y., for the services of approximately 40 persons, to aid in the solicitation of proxies. For these services Convair will pay a fee plus out-of-pocket expenses and disbursements estimated in the aggregate at approximately \$6,800. These individuals will solicit proxies by personal interview, mail, telephone and telegraph.

By Order of the Board of Directors

CONSOLIDATED VULTEE AIRCRAFT CORPORATION

FLOYD B. ODLUM

Chairman of the Board

Dated at San Diego, California

April 17, 1953

the following information is being furnished to you for your information and is not to be used for any other purpose.

ANNUAL REPORT. The Annual Report of the Board of Directors for the year ended December 31, 1955, is being furnished to you for your information and is not to be used for any other purpose.

On or about February 1, 1956, a copy of the Annual Report of the Board of Directors for the year ended December 31, 1955, is being furnished to you for your information and is not to be used for any other purpose.

A copy of the Annual Report of the Board of Directors for the year ended December 31, 1955, is being furnished to you for your information and is not to be used for any other purpose.

The Annual Report of the Board of Directors for the year ended December 31, 1955, is being furnished to you for your information and is not to be used for any other purpose.

Consolidated Financial Statements for the year ended December 31, 1955, are being furnished to you for your information and is not to be used for any other purpose.

The Consolidated Financial Statements for the year ended December 31, 1955, are being furnished to you for your information and is not to be used for any other purpose.

Consolidated Financial Statements for the year ended December 31, 1955, are being furnished to you for your information and is not to be used for any other purpose.

The Consolidated Financial Statements for the year ended December 31, 1955, are being furnished to you for your information and is not to be used for any other purpose.

April 17, 1953

To the Stockholders of

CONSOLIDATED VULTEE AIRCRAFT CORPORATION (CONVAIR):

Atlas Corporation has entered into an agreement with General Dynamics Corporation to sell a substantial part of its holdings of stock in Convair to General Dynamics Corporation, concurrently with the holding of the annual stockholders' meeting and the election of the Board of Directors set forth in the proxy statement which you have received.

It is a matter of great personal regret that my term of office as Chairman of the Board of Convair will end concurrently with the holding of the annual meeting. Atlas Corporation, however, both directly and through ownership of stock in General Dynamics Corporation, has retained a financial interest in Convair.

Enclosed you will find copies of the public statements that were made by Mr. John Jay Hopkins, President of General Dynamics Corporation, and myself jointly, my added statement, Mr. Hopkins' added statement, and the statement by General Joseph T. McNarney, President and chief executive officer of Convair.

Sincerely,

FLOYD B. ODLUM

Chairman of the Board

Enclosures

NEW YORK, March 30 — General Dynamics Corporation has contracted to acquire from Atlas Corporation 400,000 shares of its holdings of stock of Consolidated Vultee Aircraft Corporation, it was announced today by John Jay Hopkins, Chairman and President of General Dynamics Corporation, and Floyd B. Odum, President of Atlas Corporation. This will constitute the largest block of Convair stock in the hands of one holder.

Under the agreement, General Dynamics will acquire the block of Convair stock from Atlas for \$8,700,000 in cash and 20,000 shares of common stock of General Dynamics Corporation. The purchase and sale were negotiated in conjunction with the firm of Lehman Brothers.

Atlas Corporation will retain 30,300 shares of Convair as a portfolio investment. Through this holding, and indirectly through the stock of General Dynamics which it is acquiring, Atlas will retain an investment interest in Convair.

The Convair stock to be transferred represents about 17 percent of the approximately 2,400,000 common shares presently outstanding. The transaction will be closed concurrently with the holding of the annual meeting of Convair stockholders during the latter part of May. It is expected that at that time Mr. Hopkins will become Chairman of the Board of Convair, in addition to his present position as Chairman and President of General Dynamics Corporation.

Both Mr. Hopkins and Mr. Odum stated that the transaction was a logical step for their respective companies, as well as for Convair.

Speaking for Atlas Corporation, Mr. Odum stated:

"Our job is done. We entered the Convair picture at a time when the company was beset by financial and business difficulties. We have brought it through to the point where its organization is sound, its finances are in excellent shape and its future seems bright.

"It is entirely logical that Atlas Corporation, in line with its policy of investing in special situations, should at this stage withdraw from the position of sponsorship in order to free the large amount of capital involved for investment in other special situations where the services of Atlas can be similarly constructive and profitable.

"We are proud to be able to pass our interest in Convair on to a company as well qualified as General Dynamics Corporation. The new relationship between the two companies — the one developing the atomic-powered submarines and the other the atomic-powered airplane — will make for strength in both, as well as in our national defense picture."

On behalf of General Dynamics Corporation, Mr. Hopkins stated:

"The acquisition of a substantial interest in Convair stock strengthens General Dynamics Corporation's position in two areas of the American industrial scene with an unusual growth potential, aircraft design and manufacture and the industrial application of atomic energy."

Mr. Hopkins emphasized that the transaction will not interrupt the continuity of policy and management at Convair. General Joseph T. McNarney will continue as President of Convair and no changes are contemplated in the operating management personnel.

It is presently expected that the Board of Directors of Convair will be increased from twelve to eighteen.

General Dynamics Corporation has played an important part in the aircraft industry of North America since 1947 as the parent company of Canadair Limited, the largest aircraft manufacturer in Canada, with an outstanding production record in the building of "Canadair 4" and "North Star" 4-engine transports, F-86E "Sabre" jet fighters, and T-33 "Silver Star" jet training planes. Canadair is now also prepared for the production of T-36 trainer transports for the United States Air Force. General Dynamics owns no aircraft facilities in the United States.

Convair, with aircraft plants at San Diego and Fort Worth and with a guided missile plant at Pomona, California, is one of the largest United States aircraft manufacturers. It is the builder of the famed B-36 intercontinental bomber and is building the Delta wing F-102 for the United States Air Force and P5Y and R3Y, first turbo-prop powered flying boats for the United States Navy, as well as the very high speed XF2Y Navy water-based fighter, "Sea-Dart."

The 340 Convair-Liner is now in use on commercial air lines throughout the world. Complementing the commercial Convair-Liner 340 are the U. S. Air Force planes designated T-29 navigational and bombardier trainer and the C-131 air evacuation transport.

Convair has not only a remarkable production record but also an outstanding research and design organization with many major military projects in the supersonic speed range looking forward as much as fifteen years.

General McNarney stated:

"I have of course been conversant for some time with the proposed sale by Atlas Corporation of the largest single block of stock of Consolidated Vultee Aircraft Corporation to General Dynamics Corporation. I welcome this move wholeheartedly. I know personally Mr. Hopkins and many members of the General Dynamics organization, and I believe that Convair will benefit by this new relationship. Mr. Hopkins has assured me of his confidence in the policies, program and personnel at Convair and of his intention that they be continued as heretofore."

PROXY (Solicited by the Management)

The undersigned hereby appoints FLOYD B. ODLUM, LA MOTTE T. COHU, JOSEPH T. MCNARNEY, S. R. INCH and DONALD N. McDONNELL, and each of them, attorneys and agents with power of substitution, to vote all the shares of stock which the undersigned would be entitled to vote if personally present at the special (in lieu of annual) meeting of stockholders of Consolidated Vultee Aircraft Corporation to be held at the offices of the Corporation, Room 715, 3165 Pacific Highway, San Diego, California, on May 15, 1953, at 11 o'clock a.m., Pacific Daylight Saving Time, or at any adjournment or adjournments thereof: (a) For the election of the 19 directors set forth in the Proxy Statement accompanying the Notice of Meeting dated April 17, 1953, copies of which have been received by the undersigned; (b) To vote, in accordance with their discretion, (1) with respect to such matters as are not known at the time of the solicitation of this proxy and (2) with respect to the election of directors in the event of any unforeseen emergency.

A majority of said proxies or their substitutes who shall be present and shall act at said meeting or any adjournment or adjournments thereof (or if only one shall be present and act then that one) shall have and may exercise all the powers of said proxies hereunder.

Dated this..... day of....., 1953

.....(L.S.)

When signing as attorney, administrator, trustee or guardian, please give your full title as such.

Stockholders who are present at the meeting may withdraw their proxy and vote, if they so desire, in person.

BUSINESS REPLY E
FIRST CLASS PERMIT No. 644, Sec. 34.9, P.L. & R.

Secretary — CONSOLIDATED VULTEE AIRCRAFT
c/o The Chase

Postage
Will Be Paid
by
Addressee

consents and agrees that

at the offices of the corporation, San Diego, California,

immediately following the

meeting of the stockholders of

the corporation to be held on that date,

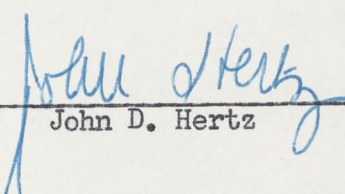
at said meeting the Bylaws

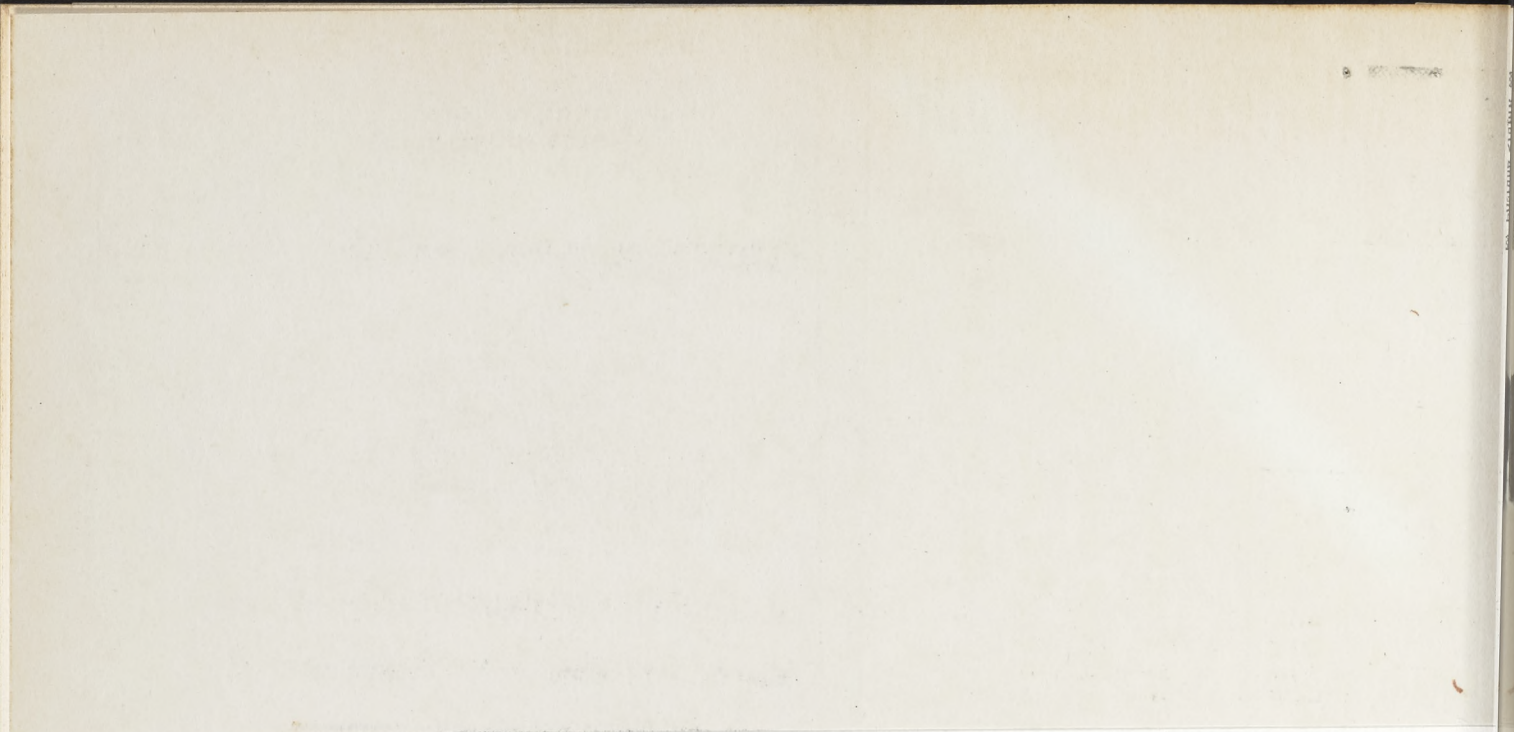
of the corporation amended by increasing the

number of directors from nineteen to twenty.

Witness my hand and the seal of the corporation at

Chicago, Illinois, this fourteenth


John D. Hertz



The first of these is the fact that the
the second is the fact that the
the third is the fact that the

the fourth is the fact that the
the fifth is the fact that the

the sixth is the fact that the
the seventh is the fact that the
the eighth is the fact that the
the ninth is the fact that the
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the thirteenth is the fact that the
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the sixteenth is the fact that the
the seventeenth is the fact that the
the eighteenth is the fact that the
the nineteenth is the fact that the
the twentieth is the fact that the

with the name
Address

with the name
Address

No
Postage Stamp
Necessary
If Mailed in the
United States

BUSINESS REPLY ENVELOPE
FIRST CLASS PERMIT No. 644, Sec. 34.9, P.L. & R.
NEW YORK, NEW YORK

Postage
Will Be Paid
by
Addressee

Secretary — CONSOLIDATED VULTEE AIRCRAFT CORPORATION

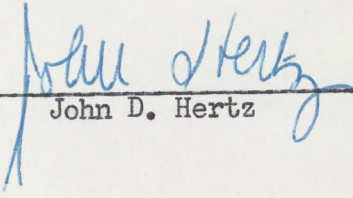
c/o The Chase National Bank

11 BROAD STREET

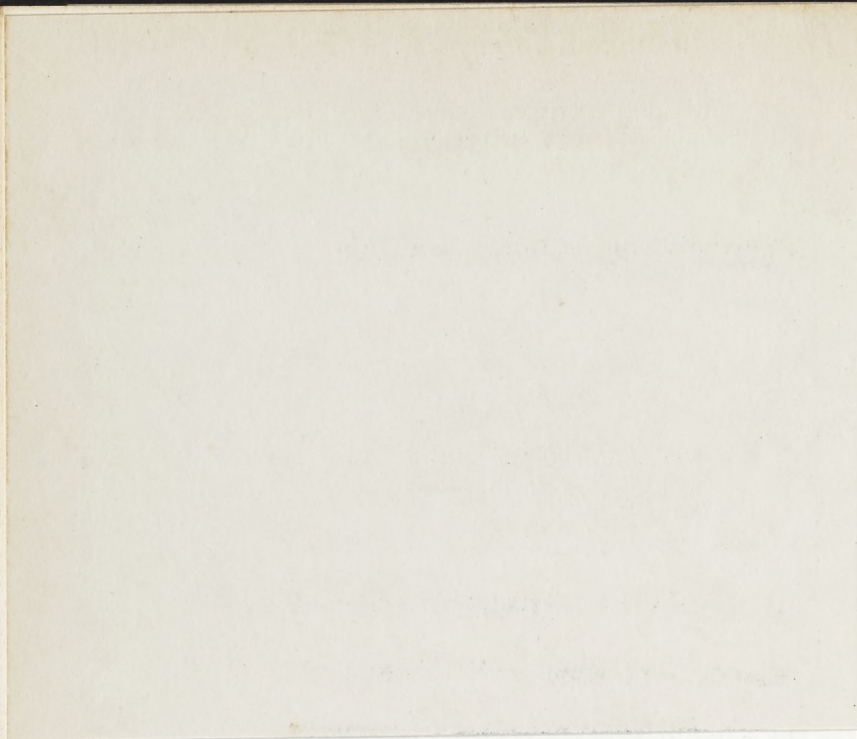
NEW YORK 15, N. Y.

NOTICE

John D. Hertz hereby waives
the place of holding a meeting
of Consolidated Vultee
consents and agrees that
at the offices of the cor-
poration, San Diego, California,
immediately following the
meeting of the stockholders of
said corporation to be held on that date,
at said meeting the Bylaws
amended by increasing the
number of directors from
nineteen to twenty.
At Chicago, Illinois, this fourteenth

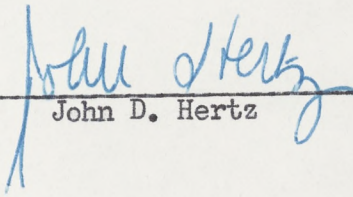


John D. Hertz

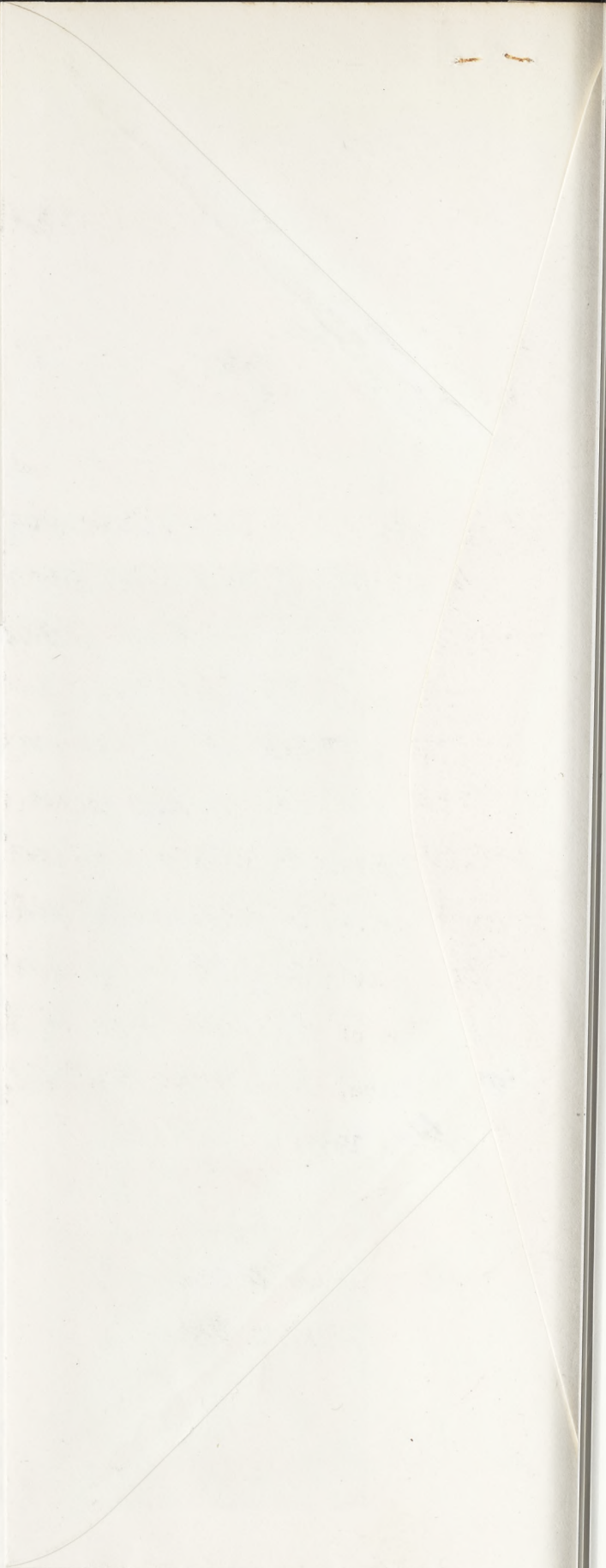
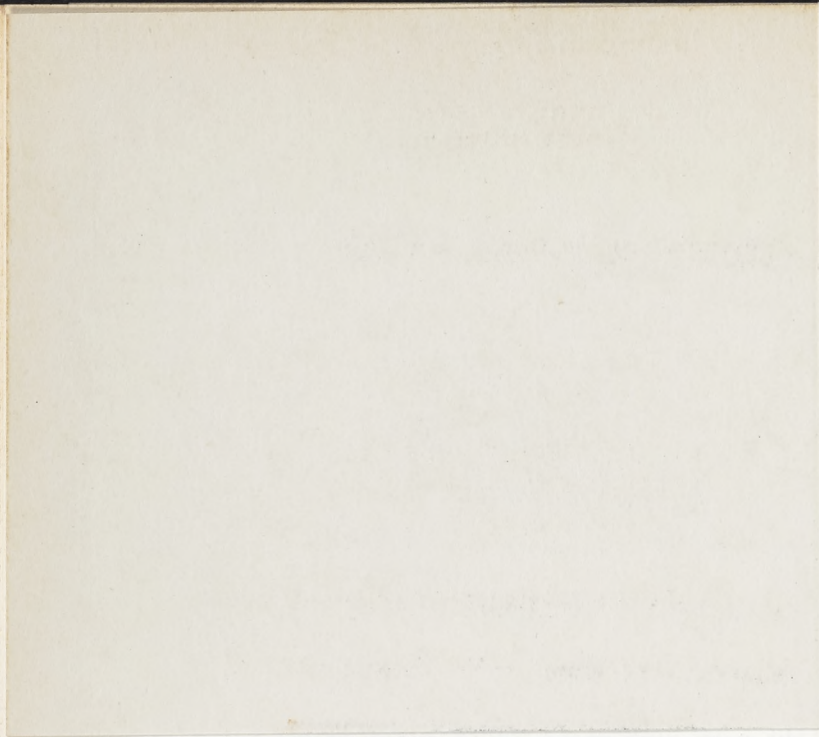


NOTICE

John D. Hertz hereby waives
the place of holding a meeting
of Consolidated Vultee
consents and agrees that
at the offices of the cor-
poration, San Diego, California,
immediately following the
meeting of the stockholders of
said corporation to be held on that date,
at said meeting the Bylaws
be amended by increasing the
number of directors from
nineteen to twenty.
At Chicago, Illinois, this fourteenth



John D. Hertz



The following is a list of the names of the persons who have been named in the various reports of the Committee on the subject of the proposed amendment to the Constitution of the United States, as passed by the House of Representatives on the 12th of March, 1865, and as amended by the Senate on the 13th of April, 1865, and as finally passed by the joint action of the two Houses on the 13th of May, 1865.

Mr. John A. Bingham, of Ohio, proposed the amendment in the House of Representatives on the 12th of March, 1865. It was then passed by a vote of 120 yeas to 37 nays. On the 13th of April, 1865, the Senate passed the amendment by a vote of 33 yeas to 11 nays. On the 13th of May, 1865, the joint action of the two Houses passed the amendment by a vote of 287 yeas to 130 nays.

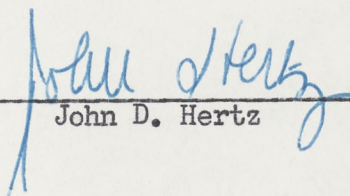
The names of the persons who have been named in the various reports of the Committee on the subject of the proposed amendment to the Constitution of the United States, as passed by the House of Representatives on the 12th of March, 1865, and as amended by the Senate on the 13th of April, 1865, and as finally passed by the joint action of the two Houses on the 13th of May, 1865, are as follows:

Mr. John A. Bingham, of Ohio, proposed the amendment in the House of Representatives on the 12th of March, 1865. It was then passed by a vote of 120 yeas to 37 nays. On the 13th of April, 1865, the Senate passed the amendment by a vote of 33 yeas to 11 nays. On the 13th of May, 1865, the joint action of the two Houses passed the amendment by a vote of 287 yeas to 130 nays.

WAIVER OF NOTICE

The undersigned John D. Hertz hereby waives all notice of the time and place of holding a meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation, and consents and agrees that such meeting may be held at the offices of the corporation, 3165 Pacific Highway, San Diego, California, on Friday, May 15, 1953, immediately following the adjournment of the meeting of the stockholders of said corporation scheduled to be held on that date, and further agrees that at said meeting the Bylaws of the corporation may be amended by increasing the number of directors from nineteen to twenty.

Dated at Cary, Illinois, this fourteenth day of May, 1953.



John D. Hertz

WIVER OF NOTICE

The undersigned John P. Davis hereby notice
all notice of the time and place of holding a meeting
of the Board of Directors of Consolidated Edison
Electric Corporation, and consents and agrees that
such meeting may be held at the office of the cor-
poration, 1105 Pacific Highway, San Diego, California,
on Friday, May 12, 1955, immediately following the
adjournment of the meeting of the stockholders of
said corporation scheduled to be held on that date,
and further agrees that at said meeting the Board
of the corporation may be amended by increasing the
number of directors from nineteen to twenty.
Witness my hand and seal, this fourteenth
day of May, 1955.



John P. Davis

MINUTES OF THE ANNUAL MEETING
OF THE BOARD OF DIRECTORS OF
CONSOLIDATED VULTEE AIRCRAFT CORPORATION
FOR THE YEAR 1953

The annual meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation for the year 1953 was held at the general offices of the company in San Diego, California, on Friday, May 15, 1953, immediately following the special (in lieu of annual) meeting of the stockholders of the company, pursuant to notices given in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

Ellsworth C. Alvord	Donald N. McDonnell
George W. Codrington	Joseph T. McNarney
LaMotte T. Cohu	Clifton M. Miller
Lambert J. Gross	J. V. Naish
Roger I. Harris	J. Geoffrey Notman
John Jay Hopkins	R. C. Patterson, Jr.
S. R. Inch	O. P. Robinson, Jr.
I. M. Laddon	W. C. Rockefeller
Henry M. Marx	Lawrence B. Richardson

The following director was absent:

John D. Hertz

Robert B. Watts, Vice President and General Counsel; Floyd B. Odium, former director and Chairman of the Board, and Frank Pace, Jr., Executive Vice President of General Dynamics Corporation, were present by invitation.

Edmund Burke, Secretary, recorded the minutes.

MINUTES OF THE ANNUAL MEETING
OF THE BOARD OF DIRECTORS OF
CONSOLIDATED UTILITIES AIRCRAFT CORPORATION
FOR THE YEAR 1953

The annual meeting of the Board of Directors of Consolidated Utilities Aircraft Corporation for the year 1953 was held at the general offices of the company in San Diego, California, on Friday, May 15, 1953, immediately following the special (in lieu of annual) meeting of the stockholders of the company, pursuant to notice given in accordance with the requirements of the Bylaws. The following directors were present at the meeting and constituted a quorum for the transaction of business:

Donald E. Johnson	Elmer C. Alford
George E. Robinson	George W. Robinson
William H. Miller	Laurence T. Jones
J. W. Smith	Laurence T. Jones
J. Arthur Johnson	Robert L. Harris
W. C. Robinson, Jr.	John Jay Hopkins
W. C. Robinson, Sr.	W. E. Jones
W. C. Robinson	L. E. Jones
Lawrence E. Robinson	Henry E. Hart

The following director was absent:

John D. Hart

Robert E. White, Vice President and General Counsel; W. C. Jones, former director and Chairman of the Board, and Frank Jones, Jr., Executive Vice President of General Aviation Corporation, were present by invitation. Edward Burke, Secretary, presided at the meeting.

1. The meeting was called to order by Joseph T.

McNarney, who announced that the annual meeting of the stockholders of the company had been held at San Diego, California, on May 15, 1953, immediately preceding the convening of this directors meeting, at which meeting Ellsworth C. Alvord, George W. Codrington, LaMotte T. Cohu, Lambert J. Gross, Roger I. Harris, John D. Hertz, John Jay Hopkins, S. R. Inch, I. M. Laddon, Henry M. Marx, Donald N. McDonnell, Joseph T. McNarney, Clifton M. Miller, J. V. Naish, J. Geoffrey Notman, R. C. Patterson, Jr., O. P. Robinson, Jr., W. C. Rockefeller, Lawrence B. Richardson, were elected directors of the company to serve, subject to the provisions of the Bylaws, for the ensuing year.

2. Upon a motion duly made, seconded and unanimously carried, Mr. Odium was invited to suggest the name of a director for election as Chairman of the Board. Mr. Odium then expressed his personal pleasure in suggesting the nomination of John Jay Hopkins as Chairman of the Board and thereupon, by a motion duly made, seconded and carried by the unanimous vote of all directors present except Mr. Hopkins who was recorded as not voting, John Jay Hopkins was elected Chairman of the Board. Mr. Hopkins then took the chair and after appropriate remarks presided throughout the remainder of the meeting.

3. Pursuant to a written notice of intention given to all directors, the Chairman next presented a proposal to amend the Bylaws of the company. All the directors being present except

1. The meeting was called to order by Joseph T.

Hobbs, who announced that the annual meeting of the stock-

holders of the company had been held at San Diego, California,

on May 12, 1923, immediately preceding the convening of this

directors meeting, at which meeting Edward C. Howard,

George W. Colburn, Robert T. Cole, Lambert J. Green,

Robert I. Harris, John J. Hark, John Jay Hopkins, A. E. Lusk,

I. M. Latham, Henry M. Marx, Donald R. McConnel, Joseph T. Hobbs,

William H. Miller, J. V. Walsh, J. Geoffrey Watson, E. C. Williamson, Jr.,

C. F. Robinson, Jr., W. C. Hochstetler, Lawrence B. Richardson, were

elected directors of the company to serve, subject to the provisions

of the Bylaws, for the ensuing year.

2. Upon a motion duly made, seconded and unanimously

carried, Mr. Cole was invited to suggest the name of a director

for election as Chairman of the Board. Mr. Cole then expressed

his personal pleasure in suggesting the nomination of John Jay Hopkins

as Chairman of the Board and thereupon, by a motion duly made, seconded

and carried by the unanimous vote of all directors present except

Mr. Hopkins who was recorded as not voting, John Jay Hopkins was

elected Chairman of the Board. Mr. Hopkins then took the chair

and after appropriate remarks presided throughout the remainder

of the meeting.

3. Pursuant to a written notice of intention given to

all directors, the Chairman next presented a proposal to amend the

Bylaws of the company. All the directors being present except

John D. Hertz, from whom a waiver was presented agreeing that the Bylaws might be so amended, there followed discussion and consideration, after which, and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted, the said adoption being upon the affirmative vote of the majority of the entire Board then in office:

RESOLVED that the first sentence of Section 1, Article III of the Bylaws of the corporation be and it hereby is amended to read as follows:

"The property and business of the corporation shall be managed and controlled by the Board of Directors, consisting of twenty persons."

4. It was then suggested that a member of the Board be elected to fill the vacancy thus created and upon a motion duly made, seconded and unanimously carried, Frank Pace, Jr. was elected a member of the Board, to serve, subject to the provisions of the Bylaws, until the next annual meeting of the Board of Directors and until his successor is elected and qualified. Mr. Pace thereupon took his seat as a director of the company and thereafter participated in the meeting.

5. The Chairman next stated that inasmuch as this was the annual meeting of the Board of Directors, it would be in order to proceed with the election of officers of the company for the ensuing year and to fix their compensation. Thereupon after due consideration and upon a motion duly made and seconded, the following persons were nominated and unanimously elected to the offices set opposite their respective names, to hold their offices at the pleasure

John B. Feltz, from whom a notice was presented regarding that the Feltz might be so amended, there followed discussion and consideration, after which, and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted, the said adoption being upon the affirmative vote of the majority of the entire Board then in office:

RESOLVED that the first sentence of Section 1, Article III of the Bylaws of the corporation be and its hereby be amended to read as follows:

"The property and business of the corporation shall be managed and controlled by the Board of Directors, consisting of twenty persons."

It was then suggested that a member of the Board be elected to fill the vacancy then created and upon a motion duly made, seconded and unanimously carried, Frank Rose, Jr. was elected a member of the Board, to serve, subject to the provisions of the Bylaws, until the next annual meeting of the Board of Directors and until his successor is elected and qualified. Mr. Rose thereupon took his seat as a director of the company and thereafter participated in the meeting.

The Chairman next stated that hereupon on this was the annual meeting of the Board of Directors, it would be in order to proceed with the election of officers of the company for the ensuing year and to fix their compensation. Thereupon after due consideration and upon a motion duly made and seconded, the following persons were nominated and unanimously elected to the offices set opposite their respective names, to hold their offices at the pleasure

of the Board, until the next annual meeting of the Board of Directors of the company and until their respective successors are elected and qualified, and subject to the provisions of the Bylaws:

Joseph T. McNarney	President
J. V. Naish	Executive Vice President
Robert B. Watts	Vice President and General Counsel
R. H. Biron, Jr.	Vice President
T. G. Lanphier, Jr.	Vice President and Assistant to the President
L. W. Miller	Vice President
R. C. Sebold	Vice President
D. T. Fisher	Controller
G. T. Bovee	Treasurer
Edmund Burke	Secretary

There was then brought up for consideration the fixing of compensation of the above officers. After due consideration and upon a motion duly made and seconded, the following resolutions were adopted by the vote of all the directors present except Messrs. McNarney and Naish, each of whom was recorded as not voting on that portion of the resolution which pertained to the fixing of his own compensation:

RESOLVED that until the further action of the Board of Directors of the company, the compensation of each of the above named officers of the company shall be continued at his present rate of compensation, with the exception that effective June 1, 1953, the annual compensation of G. T. Bovee, Treasurer, shall be \$20,000; and be it further

RESOLVED that the Treasurer of the company be and he hereby is authorized to make payments to the foregoing officers in monthly or semi-monthly installments at the rates of compensation above established, until further action of the Board of Directors of the company.

of the Board, until the next annual meeting of the Board of Directors of the company and until their respective successors are elected and qualified, and subject to the provisions of the bylaws:

Joseph T. McNamara	President
L. V. Walsh	Executive Vice President
Richard S. Kohn	Vice President and General Counsel
E. W. Wilson, Jr.	Vice President
T. G. Langhorne, Jr.	Vice President and Assistant to the President
L. W. Miller	Vice President
R. C. Scholz	Vice President
H. T. Fisher	Controller
O. T. Brown	Treasurer
Edward Burke	Secretary

There was then brought up for consideration the fixing of composition of the above officers. After due consideration and upon a motion duly made and seconded, the following resolutions were adopted by the vote of all the directors present except Messrs. McNamara and Walsh, each of whom was recorded as not voting on that portion of the resolution which pertained to the fixing of his own

composition:

RESOLVED that until the further action of the Board of Directors of the company, the compensation of each of the above named officers of the company shall be continued at his present rate of compensation, with the exception that effective June 1, 1933, the annual compensation of O. T. Brown, Treasurer, shall be \$20,000; and be it further

RESOLVED that the Treasurer of the company be and he hereby is authorized to make payments to the foregoing officers in monthly or semi-monthly installments at the rates of compensation above established, until further action of the Board of Directors of the company.

6. The Chairman next announced the appointment of W. C. Rockefeller as Executive Assistant to the Chairman of the Board, and upon a motion duly made, seconded and carried by the unanimous vote of all the directors present except Mr. Rockefeller, who was recorded as not voting, the continuation of Mr. Rockefeller's present rate of compensation was approved until further action by the Board.

7. It was then suggested that the officers of the company, with the approval of the Chairman of the Board, be authorized to enter into a contract with LaMotte T. Cohu providing for his employment as a consultant. After consideration and upon a motion duly made, seconded and carried by the unanimous vote of all directors present except Mr. Cohu, who was recorded as not voting, the officers of the company, with the approval of the Chairman of the Board, were authorized to employ LaMotte T. Cohu as a consultant to serve at the pleasure of the Board, with compensation at the annual rate of \$30,000, subject to later retroactive adjustment by the Board.

8. The financial statements as of April 30, 1953, were next received, discussed and filed.

9. The Charactron project was then discussed and upon a motion duly made, seconded and unanimously carried, an appropriation of \$97,778 for the Charactron Project Budget for the period from June 1 to November 30, 1953, was approved.

6. The Chairman next announced the appointment of
 V. E. Beckwith as Executive Assistant to the Chairman of the
 Board, and upon a motion duly made, seconded and carried by the
 unanimous vote of all the directors present except Mr. Beckwith,
 who was recorded as not voting, the nomination of Mr. Beckwith's
 present rate of compensation was approved with further action by

the Board.

7. It was then suggested that the officers of the
 company, with the approval of the Chairman of the Board, be
 authorized to enter into a contract with L. E. T. John for his
 services as a consultant. After consideration and upon a
 motion duly made, seconded and carried by the unanimous vote of all
 directors present except Mr. John, who was recorded as not voting,
 the officers of the company, with the approval of the Chairman of
 the Board, were authorized to employ L. E. T. John as a consultant
 to serve at the pleasure of the Board, with compensation at the
 annual rate of \$10,000, subject to later retroactive adjustment by

the Board.

8. The financial statements as of April 30, 1923, were
 next received, discussed and filed.

9. The Corporation project was then discussed and upon
 a motion duly made, seconded and unanimously carried, an appropriation
 of \$27,718 for the Corporation project budget for the period from
 June 1 to December 30, 1923, was approved.

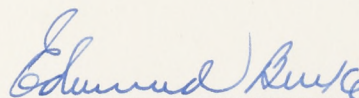
10. General McNarney next stated that in view of his detailed report on the progress of the company made prior to the formal meeting of the Board, he would at this time omit the usual report by the President.

11. There was then presented a request for an appropriation of \$13,000 for full-page advertisements having reference to the 30th anniversary of the company and upon a motion duly made, seconded and unanimously carried, the appropriation was approved, subject to approval by the President before expenditure.

12. The Chairman next suggested that consideration be given to the establishment of a schedule of dates for regular meetings of the Board. After consideration and upon a motion duly made, seconded and unanimously carried, effective in July 1953, regular meetings of the Board of Directors were scheduled to be held on the Friday preceding the last Thursday in each month.

13. The Chairman then asked that consideration be given to setting a date for a regular meeting of the Board to be held in June 1953. After discussion and upon a motion duly made, seconded and unanimously carried, the next regular meeting of the Board was set to be held at the Fort Worth offices of the company at 2:30 p.m. Central Standard Time on Monday, June 15, 1953.

14. There being no further business to come before the meeting, it was thereupon adjourned.



Edmund Burke, Secretary

10. General Hottel next stated that in view of his detailed report on the progress of the company made prior to the last meeting of the Board, he would at this time call the usual report by the President.

11. There was then presented a request for an appropriation of \$13,000 for full-page advertisements having reference to the 30th anniversary of the company and upon a motion duly made, seconded and unanimously carried, the appropriation was approved, subject to approval by the President before expenditure.

12. The Chairman next suggested that consideration be given to the establishment of a schedule of dates for regular meetings of the Board. After consideration and upon a motion duly made, seconded and unanimously carried, effective in July 1933, regular meetings of the Board of Directors were scheduled to be held on the 15th day preceding the last Thursday in each month.

13. The Chairman then asked that consideration be given to setting a date for a regular meeting of the Board to be held in June 1933. After discussion and upon a motion duly made, seconded and unanimously carried, the next regular meeting of the Board was set to be held at the Fort Worth office of the company at 5:30 p.m. General Standard Time on Monday, June 12, 1933.

14. There being no further business to come before the meeting, it was thereupon adjourned.

General Hottel, Secretary

May 26, 1953

To: Ellsworth C. Alvord
George W. Codrington
LaMotte T. Cohu
Lambert J. Gross
Roger I. Harris
John D. Hertz
S. R. Inch
I. M. Laddon
Henry M. Marx
Donald N. McDonnell

Joseph T. McNarney
Clifton M. Miller
J. V. Naish
J. Geoffrey Notman
Frank Pace, Jr.
R. C. Patterson, Jr.
Lawrence B. Richardson
O. P. Robinson, Jr.
W. C. Rockefeller
Robert B. Watts

Mr. Hopkins has asked me to notify you that pursuant to action taken by the directors at a meeting held on May 15, 1953, a regular meeting of the Board of Directors of this company will be held at 2:30 p.m. Central Standard Time on Monday, June 15, 1953, at the offices of the company in Fort Worth, Texas, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting. We also need to know whether any ladies will be in the party.

Unless you indicate otherwise, we will make the hotel reservation for your arrival in Fort Worth on the afternoon of June 14, 1953.

Sincerely

Edmund Burke, Secretary

May 26, 1923

Joseph T. Kohnen
Clifford M. Miller
J. V. Ketch
J. Geoffrey Johnson
Frank Pace, Jr.
E. C. Peterson, Jr.
Lawrence S. Richardson
G. F. Robinson, Jr.
H. C. Rosenkrantz
Robert E. White

For
Missouri C. Alford
George W. Cunningham
Lafayette T. Cohn
Lambert J. Gross
Roger I. Harris
John D. Harris
S. H. Lamb
I. M. Landon
Henry M. Marx
Donald W. McConnell

Mr. Hopkins has asked me to notify you that pursuant to action taken by the directors at a meeting held on May 15, 1923, a regular meeting of the Board of Directors of this company will be held at 2:30 p.m. Central Standard Time on Monday, June 18, 1923, at the office of the company in Fort Worth, Texas, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting. We also need to know whether any letter will be in the file.

Unless you indicate otherwise, we will make the hotel reservation for your arrival in Fort Worth on the afternoon of June 18, 1923.

Sincerely

Edward H. White, Secretary

June 2, 1953

To: Ellsworth C. Alvord
George W. Codrington
LaMotte T. Cohu
Lambert J. Gross
Roger I. Harris
John D. Hertz
S. R. Inch
I. M. Laddon
Henry M. Marx
Donald N. McDonnell

Joseph T. McNarney
Clifton M. Miller
J. V. Naish
J. Geoffrey Notman
Frank Pace, Jr.
R. C. Patterson, Jr.
Lawrence B. Richardson
O. P. Robinson, Jr.
W. C. Rockefeller

I have been instructed to notify you that at the regular meeting of the Board of Directors of this company which is scheduled to be held on June 15, 1953, proposed amendments of the Bylaws will be presented for consideration and action by the Board.

A copy of the present Bylaws showing the proposed amendments is enclosed.

Sincerely

Edmund Burke, Secretary

June 2, 1953

Joseph T. Hollman
William W. Miller
J. V. Walsh
J. Geoffrey Nelson
Frank Pace, Jr.
R. C. Patterson, Jr.
Lawrence S. Richardson
G. F. Robinson, Jr.
W. G. Rockwell

To: Elsworth G. Alvord
George W. Cady
Lester T. Cohn
Lester J. Crona
Roger J. Harris
John D. Harris
R. S. Jach
J. W. Johnson
Henry W. Marx
Donald W. McDonald

I have been instructed to notify you that at
the regular meeting of the Board of Directors of this
company which is scheduled to be held on June 15, 1953,
proposed amendments of the Bylaws will be presented for
consideration and action by the Board.

A copy of the present Bylaws showing the proposed
amendments is enclosed.

Sincerely,

William W. Miller, Secretary

WAIVER OF NOTICE

The undersigned George W. Codrington hereby waives all notice of the time and place of holding a meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation and consents and agrees that such meeting may be held at the offices of the corporation in Fort Worth, Texas, on Monday, June 15, 1953, and agrees that at said meeting the Bylaws of the corporation may be amended to provide for more than one Vice Chairman of the Board, to change the compensation of directors, and to make minor changes in the phraseology of several sections.

Dated at Cleveland, Ohio, this 14th day of June, 1953.


George W. Codrington

WAIVER BY WRIT

The undersigned George W. Washington
hereby waives all notice of the time and place
of holding a meeting of the Board of Directors
of Consolidated Value Assets Corporation and
consents and agrees that such meeting may be
held at the office of the corporation in
Fort Worth, Texas, on Monday, June 15, 1933,
and agrees that at such meeting the Bylaws
of the corporation may be amended to provide
for more than one Vice Chairman of the Board,
to change the composition of the Board, and
to make other changes in the Bylaws of
said corporation.

Witness my hand and seal, this 15th

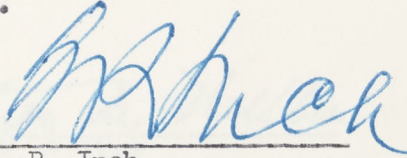
day of June, 1933.


George W. Washington

WAIVER OF NOTICE

The undersigned S. R. Inch hereby waives all notice of the time and place of holding a meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation and consents and agrees that such meeting may be held at the offices of the corporation in Fort Worth, Texas, on Monday, June 15, 1953, and agrees that at said meeting the Bylaws of the corporation may be amended to provide for more than one Vice Chairman of the Board, to change the compensation of directors, and to make minor changes in the phraseology of several sections.


Dated at San Diego, California,
this 14th day of June, 1953.



S. R. Inch

MINUTE BOOK

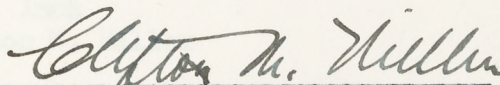
The undersigned J. E. [unclear] hereby
certifies all minutes of the time and place of
holding a meeting of the Board of Directors
of Consolidated Water Works Corporation
and consents and agrees that such meeting may
be held at the offices of the corporation in
Fort Worth, Texas, on Monday, June 12, 1923.
and agrees that all said meeting the Board of
the corporation may be amended to provide for
more than one Vice Chairman of the Board, to
change the organization of directors, and to
make minor changes in the phraseology of
several sections.
Witness my hand and seal at San Diego, California,
this fifth day of June, 1923.


J. E. [unclear]

WAIVER OF NOTICE

The undersigned Clifton M. Miller hereby waives all notice of the time and place of holding a meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation and consents and agrees that such meeting may be held at the offices of the corporation in Fort Worth, Texas, on Monday, June 15, 1953, and agrees that at said meeting the Bylaws of the corporation may be amended to provide for more than one Vice Chairman of the Board, to change the compensation of Directors, and to make minor changes in the phraseology of several sections.

Dated at Chestertown, Maryland,
this 14th day of June, 1953.



Clifton M. Miller

WITNESSES

The undersigned, Charles H. Miller

hereby witness all notice at the time and place
of holding a meeting of the Board of Directors
of Consolidated Natural Gas Company
and consents and agrees that such meeting may
be held at the offices of the corporation in
New York City, New York, on Monday, June 15, 1937.
and agrees that at said meeting the Board
of the corporation may be entitled to provide
for more than one Vice Chairman of the Board,
to change the composition of Directors, and
to make other changes in the personnel of
several sections.

Witness my hand and seal at New York City, New York,

this 14th day of June, 1937.


Charles H. Miller

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD MONDAY, JUNE 15, 1953

A regular meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at the offices of the company in Fort Worth, Texas, on Monday, June 15, 1953, at 2:30 p.m. Central Standard Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

John Jay Hopkins
Ellsworth C. Alvord
LaMotte T. Cohu
Lambert J. Gross
Roger I. Harris
John D. Hertz
I. M. Laddon
Henry M. Marx
Donald N. McDonnell

Joseph T. McNarney
J. V. Naish
J. Geoffrey Notman
Frank Pace, Jr.
R. C. Patterson, Jr.
O. P. Robinson, Jr.
W. C. Rockefeller
Lawrence B. Richardson

The following directors were absent:

George W. Codrington
S. R. Inch
Clifton M. Miller

Robert B. Watts, Vice President and General Counsel, and D. T. Fisher, Controller; also Kenneth Stiles, Assistant to Executive Vice President, General Dynamics Corporation, were present by invitation.

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF CONSOLIDATED VULCAN AIRCRAFT CORPORATION
Held Monday, June 12, 1933

A regular meeting of the Board of Directors of Consolidated Vulcan Aircraft Corporation was held at the offices of the company in Fort Worth, Texas, on Monday, June 12, 1933, at 2:30 p.m. General Standard Time, pursuant to notice given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting

and constituted a quorum for the transaction of business:

Joseph T. McHenry	John Jay Hopkins
J. T. Keith	Almon C. Alford
J. Coffey Nelson	Leah T. Cohn
Frank Pace, Jr.	Isaac J. Gross
R. C. Robinson, Jr.	Roger I. Harris
G. W. Robinson, Jr.	John D. Harris
W. C. Rockafellow	T. M. Landon
Lawrence B. Richardson	Henry H. Meier
	Ronald M. McManis

The following directors were absent:

George W. Coburn
E. R. Inch
Clifton H. Miller

Robert H. Watts, Vice President and General Counsel, and B. T. Fisher, Controller, also Kenneth Selles, Assistant to Executive Vice President, General Business Corporation, were present by invitation.

John Jay Hopkins, Chairman, presided at the meeting and Edmund Burke, Secretary, recorded the minutes.

1. The Secretary presented the minutes of the meeting of the Board of Directors held at 10:15 a.m. on May 15, 1953, and the minutes of the annual meeting of the Board of Directors held immediately following the special (in lieu of annual) meeting of the stockholders of the company on May 15, 1953. After due consideration the minutes of these meetings were approved as recorded.

2. Pursuant to a written notice of intention given to all directors, the Chairman next presented a proposal to amend the Bylaws of the company. All the directors being present except George W. Codrington, S. R. Inch and Clifton M. Miller, from each of whom a waiver was presented agreeing that the Bylaws might be so amended, there followed discussion and consideration, after which, and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted, the said adoption being upon the affirmative vote of the majority of the entire Board then in office:

RESOLVED that Sections 3, 4, 6, 7 and 8 of Article II; all sections of Article III; all sections of Article IV; Section 1 of Article V; Sections 1, 2, 3, 5, 6 and 7 of Article VI; Section 1 of Article VII; Sections 1, 2 and 3 of Article VIII; Section 1 of Article IX; Sections 1 and 4 of Article X; and all sections of Article XIII of the present Bylaws of this company, shall be and the said sections hereby are respectively rescinded and in lieu thereof there shall be substituted sections to read as follows:

ARTICLE II. - Meetings of Stockholders

John Jay Hopkins, Chairman, presided at the meeting

and Edward Burke, Secretary, recorded the minutes.

1. The Secretary presented the minutes of the meeting of the Board of Directors held at 10:15 a.m. on May 12, 1953, and the minutes of the annual meeting of the Board of Directors held immediately following the special (in lieu of annual) meeting of the stockholders of the company on May 12, 1953. After the consideration the minutes of these meetings were approved as recorded.

2. Pursuant to a written notice of intention given to all directors, the Chairman next presented a proposal to amend the Bylaws of the company. All the directors being present except George W. Condit, Jr., S. B. Bush and Clifford E. Miller, from each of whom a waiver was presented agreeing that the Bylaws might be amended, there followed discussion and consideration, after which, and upon a motion duly made, amended and unanimously carried, the following resolution was adopted, the said resolution being upon the affirmative vote of the majority of the entire Board then in office:

RESOLVED that Sections 2, 4, 6, 7 and 8 of Article II; all sections of Article III; all sections of Article IV; Section 1 of Article V; Sections 1, 2, 3, 4 and 7 of Article VI; Section 1 of Article VII; Sections 1, 2 and 3 of Article VIII; Section 1 of Article IX; Sections 1 and 4 of Article X; and all sections of Article XII of the present Bylaws of this company, shall be and the said sections hereby are respectively rescinded and in lieu thereof there shall be substituted sections to read as follows:

ARTICLE II - Meetings of Stockholders

Section 3. Special meetings of stockholders for any purpose or purposes, unless otherwise provided by law, may be called by a majority of the entire Board of Directors then in office or the Chairman of the Board of Directors or a Vice Chairman of the Board of Directors, and shall be called by the Secretary at the written request of stockholders holding of record 25% of the outstanding stock of the corporation entitled to vote.

Section 4. Special meetings of stockholders of the corporation shall be held at such place or places, within or without the State of Delaware, as may be determined by the Board of Directors or the person calling or requesting the call of such meeting. Business transacted at all special meetings shall be confined to the purposes stated in the notice, or business related to or incidental to such purposes.

Section 6. It shall be the duty of every stockholder to furnish to the Secretary of the corporation, or to the Transfer Agent, if any, his post office address, and to notify said Secretary or Transfer Agent of any change therein.

In lieu of notice of meeting, a waiver thereof in writing, signed by the persons entitled to said notice, whether before, at or after the time of the meeting stated therein, shall be deemed equivalent thereto and any stockholder present in person or by proxy at a meeting of the stockholders shall be deemed to have waived notice of the time, place and purposes of meeting.

Section 7. Special meetings of stockholders for

any purpose or purposes, unless otherwise provided by law, may be called by a majority of the entire board of directors, or in the absence of the board, by the Chairman of the Board of Directors or a Vice Chairman of the Board of Directors, and shall be called by the Secretary at the written request of stockholders holding at least 10% of the outstanding stock of the corporation entitled to vote.

Section 8. Special meetings of stockholders of the

corporation shall be held at such place or places, within or without the State of Delaware, as may be determined by the Board of Directors or the person calling or requesting the call of such meeting. Business transacted at all special meetings shall be confined to the purposes stated in the notice, or business related to or incidental to such purposes.

Section 9. It shall be the duty of every stockholder

to furnish to the Secretary of the corporation, or to the Transfer Agent, if any, his post office address, and to notify said Secretary or Transfer Agent of any change therein.

In lieu of notice of meeting, a written demand in writing, signed by the person entitled to said notice, whether before, at or after the time of the meeting stated therein, shall be deemed equivalent thereto and any stockholder present in person or by proxy at a meeting of the stockholders shall be deemed to have waived notice of the time, place and purposes of meeting.

Section 7. At all meetings of the stockholders, the holders of 50% or more of the shares of stock of the corporation issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum requisite for the election of directors and the transaction of other business, except as otherwise provided by law, by the Certificate of Incorporation or by the Bylaws. If, however, such quorum shall not be represented at any meeting of the stockholders, the stockholders entitled to vote thereat present in person or by proxy shall have the power to adjourn the meeting from time to time without further notice, other than announced at the meeting, until the requisite amount of voting stock shall be present; at such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting previous to its adjournment.

Section 8. Before, or at, each meeting of the stockholders at which a vote by ballot is to be taken, the Board of Directors, or the chairman of such meeting, shall appoint two inspectors of votes or judges to conduct the vote thereat. Each inspector of votes or judge so appointed shall first subscribe an oath or affirmation faithfully to execute the duties of an inspector of votes or judge at such meeting with strict impartiality and according to the best of his ability. Such inspectors of votes or judges shall decide upon the qualifications of voters and accept their votes and, when the vote is completed, shall count and ascertain the number of shares voted respectively for and against the question or questions

Section 1. At all meetings of the stockholders, the holders of 25% or more of the shares of stock of the corporation having not outstanding and entitled to vote therein, present in person or represented by proxy, shall constitute a quorum necessary for the election of directors and the transaction of other business, except as otherwise provided by law, by the certificate of incorporation or by the Bylaws. If, however, such quorum shall not be represented at any meeting of the stockholders, the stockholders entitled to vote therein present in person or by proxy shall have the power to adjourn the meeting from time to time without further notice, other than announced at the meeting, until the requisite amount of voting stock shall be present; at such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting previous to the adjournment.

Section 2. Before, or at, each meeting of the stockholders at which a vote by ballot is to be taken, the Board of Directors, or the chairman of such meeting, shall appoint two inspectors of votes or judges to conduct the vote therein. Such inspectors of votes or judges so appointed shall first subscribe an oath or affirmation faithfully to execute the duties of an inspector of votes or judge at such meeting with strict impartiality and according to the best of his ability. Such inspectors of votes or judges shall decide upon the qualifications of voters and accept their votes and, when the vote is completed, shall count and ascertain the number of shares voted respectively for and against the question or questions

on which a vote was taken and shall make and deliver a certificate in writing to the secretary of such meeting of the results thereof. The inspectors of votes or judges need not be stockholders.

ARTICLE III. - Directors

Section 1. The property, business and affairs of the corporation shall be managed and controlled by the Board of Directors, consisting of not less than twelve nor more than twenty persons as fixed from time to time by resolution of the Board of Directors. At all meetings of the Board, one third of the total number of directors, but in any event not less than six directors, shall be necessary to constitute a quorum for the transaction of business. Directors need not be stockholders.

Section 2. The act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by law, the Certificate of Incorporation or the Bylaws. If at any meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time without further notice, other than announced at the meeting, until the requisite quorum of directors shall be present; at such adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the meeting previous to its adjournment.

Section 3. Directors shall be elected at the annual meeting of the stockholders by the stockholders entitled to vote,

on which a vote was taken and shall make and deliver a certificate in writing to the secretary of each meeting of the results thereof. The inspectors of votes or judges need not be stockholders.

ARTICLE III. - Directors

Section 1. The property, business and affairs of the corporation shall be managed and controlled by the Board of Directors, consisting of not less than twelve nor more than twenty persons as fixed from time to time by resolution of the Board of Directors. At all meetings of the Board, one third of the total number of directors, but in any event not less than six directors, shall be necessary to constitute a quorum for the transaction of business. Directors need not be stockholders.

Section 2. The act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by law, the Certificate of Incorporation or the Bylaws. If at any meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time without further notice, other than announced at the meeting, until the requisite quorum of directors shall be present; at such adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the meeting previous to its adjournment.

Section 3. Directors shall be elected at the annual meeting of the stockholders by the stockholders entitled to vote,

except as hereinafter provided, and shall hold office until the next annual election and until their successors shall be duly elected and qualified, unless sooner displaced. In case of any vacancy in the Board of Directors, by reason of death, resignation, increase in the number of directors (whether by resolution of the Board of Directors, amendment of these Bylaws or otherwise) or any other cause, such vacancy may be filled for the unexpired term by the vote of a majority of the directors then in office, though less than a quorum, or by the stockholders at the annual or any special meeting of stockholders held prior to the filling of such vacancy by the Board of Directors. The resignation of a director shall be effective from the date thereof for the purpose of determining the directors then in office who are entitled to notice of and vote upon the filling of such vacancy.

Section 4. Any director may be removed from office at any time by the vote of a majority of a quorum of the stockholders entitled to vote at any regular meeting or at any special meeting called for that purpose, with or without cause, and any vacancy caused by such removal may be filled by the stockholders at the meeting at which such vacancy was created.

ARTICLE IV. - Meetings of Directors

Section 1. The regular meetings of the Board of Directors shall be held at such time and place, within or without the State of Delaware, as may be determined from time to time by resolution of the Board of Directors and no notice need be given of regular meetings

except as hereinafter provided, and shall hold office until the next annual election and until their successors shall be duly elected and qualified, unless sooner displaced. In case of any vacancy in the Board of Directors, by reason of death, resignation, removal or the number of directors (whether by resolution of the Board of Directors, members of these bylaws or otherwise) or any other cause, such vacancy may be filled for the unexpired term by the vote of a majority of the directors then in office, though less than a quorum, or by the stockholders at the annual or any special meeting of stockholders held prior to the filling of such vacancy by the Board of Directors. The resignation of a director shall be effective from the date thereof for the purpose of determining the directors then in office who are entitled to notice of and vote upon the filling of such vacancy.

Section 1. Any director may be removed from office at any time by the vote of a majority of the stockholders entitled to vote at any regular meeting or at any special meeting called for that purpose, with or without cause, and any vacancy caused by such removal may be filled by the stockholders at the meeting at which such vacancy was created.

ARTICLE IV - Meetings of Directors

Section 1. The regular meetings of the Board of Directors shall be held at such time and place, within or without the State of Delaware, as may be determined from time to time by resolution of the Board of Directors and no notice need be given of regular meetings

of the Board of Directors. Special meetings of the Board of Directors shall be held within or without the State of Delaware upon call of the Chairman of the Board of Directors or a Vice Chairman of the Board of Directors, or upon call by written request of five or more directors. The call of any special meeting of the Board of Directors shall specify the time and place of such special meeting of the Board of Directors.

Section 2. An annual meeting of the Board of Directors shall be held on the day of the annual meeting of the stockholders, as hereinbefore set forth, immediately following the adjournment thereof or as soon thereafter as may be practicable, at the place of such annual stockholders' meeting, in which case no notice shall be required. Any and all business may be transacted thereat.

Section 3. Notice of any meeting of directors, except an annual meeting held after the annual stockholders' meeting and except a regular meeting, shall be mailed by the Secretary to each director at least five days prior to the meeting day, provided that in lieu of notice by mail, notice of such meeting of directors may be given to each director personally or by telegraph or telephone at least forty-eight hours prior to the meeting.

Section 4. In lieu of notice of meeting, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before, at or after the time of the meeting stated therein, shall be deemed equivalent thereto and any director present in person at a meeting of the Board of Directors shall be deemed to have waived notice of the time and place of meeting.

of the Board of Directors. Special meetings of the Board of Directors shall be held within or without the State of Delaware upon call of the Chairman of the Board of Directors or a Vice Chairman of the Board of Directors, or upon call by written request of five or more directors. The call of any special meeting of the Board of Directors shall specify the time and place of such special meeting of the Board of Directors.

Section 2. An annual meeting of the Board of Directors shall be held on the day of the annual meeting of the stockholders, as hereinafter set forth, immediately following the adjournment thereof or as soon thereafter as may be practicable, at the place of such annual stockholders' meeting, in which case no notice shall be required. Any and all business may be transacted thereof.

Section 3. Notice of any meeting of directors, except an annual meeting held after the annual stockholders' meeting and except a regular meeting, shall be mailed by the Secretary to each director at least five days prior to the meeting day, provided that in lieu of notice by mail, notice of such meeting of directors may be given to each director personally or by telephone or telegram at least forty-eight hours prior to the meeting.

Section 4. In lieu of notice of meeting, a written consent in writing, signed by the person or persons entitled to said notice, whether before, at or after the time of the meeting stated therein, shall be deemed equivalent thereto and any director present in person at a meeting of the Board of Directors shall be deemed to have waived notice of the time and place of meeting.

Section 5. Unless otherwise indicated in the notice of meeting, or required by law, the Certificate of Incorporation or the Bylaws of the corporation, any and all business may be transacted at any directors' meeting.

ARTICLE V. - Powers of the Board of Directors

Section 1. The management and control of all the property, business and affairs of the corporation shall be vested in the Board of Directors. In addition to the powers and authorities by the Bylaws and the Certificate of Incorporation expressly conferred on it, the Board of Directors may exercise all powers of the corporation and do all lawful acts and things as are not by law, or by the Certificate of Incorporation or by the Bylaws directed or required to be exercised or done by the stockholders.

ARTICLE VI. - Executive Committee and Additional Committees

Section 1. The Board of Directors may, by resolution or resolutions passed by a majority of the entire Board of Directors then in office, appoint from their own number an Executive Committee to consist of not less than five nor more than seven directors. The Board of Directors may designate the Chairman of the Executive Committee, as well as the quorum required at its meetings and any other rules and regulations for the Executive Committee. The Chairman of the Executive Committee shall preside at meetings of the Executive Committee, see that decisions of the Executive Committee are duly transmitted to the proper executive or administrative officers of the corporation and to the Chairman of the Board and the Board of Directors and he shall have such other powers and duties as may be delegated to him by the Board of Directors.

Section 5. Unless otherwise indicated in the notice

of meeting, or required by law, the Certificate of Incorporation or the Bylaws of the corporation, any and all business may be transacted at any directors' meeting.

ARTICLE V. - Powers of the Board of DirectorsSection 1. The management and control of all the

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ARTICLE VI. - Executive Committee and Additional CommitteesSection 1. The Board of Directors may, by resolution or

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Section 2. Except as otherwise herein provided, the Executive Committee shall have, when the Board of Directors is not in session, all of the powers vested in the Board of Directors by the Bylaws, the Certificate of Incorporation, any action or resolution of the stockholders of the corporation, or by the General Corporation Law of the State of Delaware; provided, however, that the Executive Committee shall have no power or authority to:

Issue stock or other securities of the corporation, or

Dispose of a substantial portion of the assets or any complete operating department of the corporation, or

Acquire any additional subsidiary or complete operating property, or

Declare dividends on the outstanding Common Stock of the corporation, or

Amend the Bylaws of the corporation, or

Change any policy or policies established by the Board of Directors without the concurring vote of the Chairman of the Board, or his written consent if not present.

Section 3. Regular meetings of the Executive Committee may be held without notice, at such place and at such times as may be fixed by the Board, and any and all business may be transacted thereat.

Section 5. Special meetings of the Executive Committee may be held at such place and at such time as may from time to time be fixed and determined by the Executive Committee, or as may be specified in the call of any meeting. Such special meeting shall

Section 2. Except as otherwise herein provided, the Executive Committee shall have, when the Board of Directors is not in session, all of the powers vested in the Board of Directors by the Bylaws, the Certificate of Incorporation, any action or resolution of the stockholders of the corporation, or by the General Corporation Law of the State of Delaware; provided, however, that the Executive Committee shall have no power or authority to:

- Issue stock or other securities of the corporation, or
- Dispose of a substantial portion of the assets or any complete operating department of the corporation, or
- Acquire any additional subsidiary or complete operating property, or
- Declare dividends on the outstanding common stock of the corporation, or
- Amend the Bylaws of the corporation, or
- Change any policy or position established by the Board of Directors without the concurring vote of the Chairman of the Board, or his written consent if not present.

Section 3. Regular meetings of the Executive Committee may be held without notice, at such place and at such times as may be fixed by the Board, and any and all business may be transacted thereat.

Section 4. Special meetings of the Executive Committee may be held at such place and at such time as may from time to time be fixed and determined by the Executive Committee, or as may be specified in the call of any meeting. Such special meeting shall

be held at the call of the Chairman of the Board, the Chairman of the Executive Committee, or two or more members of the Executive Committee. Notice of such special meeting shall be served personally or by mail, telegraph or telephone, upon each member of the Executive Committee at least twenty-four (24) hours prior to such meeting. Any member of the Executive Committee present in person at a meeting of such Committee shall be deemed to have waived notice of the time, place and purpose of the meeting.

Section 6. Unless otherwise indicated in the notice of the meeting or provided by statute, the Certificate of Incorporation or the Bylaws of the corporation, any and all business may be transacted at any Executive Committee meeting.

Section 7. The Board of Directors may by resolution or resolutions passed by a majority of the entire Board of Directors then in office, designate from their number additional committees which to the extent provided by the resolution or resolutions creating the same shall have and exercise such powers of the Board of Directors in the management of the business and affairs of the corporation as may be set forth in the resolution or resolutions.

ARTICLE VII. - Compensation of Directors

Section 1. Effective June 15, 1953, each director shall be paid \$250 a day for each day of service or portion thereof rendered to the corporation in connection with the meetings of the Board of Directors or committees thereof or in connection with services specifically requested by the Chairman. Days or portions thereof spent in traveling to and from meetings of the Board of

be held at the call of the Chairman of the Board, the Chairman of the Executive Committee, or two or more members of the Executive Committee. Notice of each special meeting shall be served personally or by mail, teletype or telephone, upon each member of the Executive Committee at least twenty-four (24) hours prior to such meeting. Any member of the Executive Committee present in person at a meeting of such Committee shall be deemed to have waived notice of the time, place and purpose of the meeting.

Section 6. Unless otherwise indicated in the notice of the meeting or provided by statute, the Certificate of Incorporation or the Bylaws of the corporation, any and all business may be transacted at any Executive Committee meeting.

Section 7. The Board of Directors may by resolution or resolutions passed by a majority of the entire Board of Directors then in office, designate from their number additional committees which to the extent provided by the resolution or resolutions creating the same shall have and exercise such powers of the Board of Directors in the management of the business and affairs of the corporation as may be set forth in the resolution or resolutions.

ARTICLE VII - Compensation of Directors

Section 1. Effective June 15, 1953, each director shall be paid \$250 a day for each day of service or portion thereof rendered to the corporation in connection with the meetings of the Board of Directors or committees thereof or in connection with any business specifically requested by the Chairman. Days or portions thereof spent in traveling to and from meetings of the Board of

Directors or committees thereof and attendance at such meetings shall be counted as days of service. Directors who receive an annual retainer of \$12,000 or more from the corporation and directors who are salaried officers of the corporation shall receive this fee only for days or portions thereof in attendance at such meetings. In addition to these payments directors are to be reimbursed for reasonable expenses incurred in connection with their service to the corporation, including attendance at meetings.

ARTICLE VIII.-Officers

Section 1. The officers of the corporation shall be a Chairman of the Board, one or more Vice Chairmen of the Board if the Board of Directors so elects, a President, an Executive Vice President, one or more Vice Presidents, a Treasurer, a Secretary, a Controller, and such other officers as may be chosen from time to time by the Board of Directors.

Section 2. The Chairman of the Board, the Vice Chairmen of the Board, if elected, and the President shall be chosen by the Board of Directors from among their own number. The Board of Directors shall choose the other officers of the corporation who may or may not be directors. One person may hold any two offices.

Section 3. Officers of the corporation chosen by the Board of Directors shall hold their respective offices during the pleasure of the Board, until the next annual election, or until their successors may be elected and qualified. Any officer of the corporation may be removed by a vote of the majority of the entire Board of Directors then in office, with or without cause.

Directors or committees thereof and attendance at such meetings shall be counted as days of service. Directors who receive an annual retainer of \$12,000 or more from the corporation and directors who are salaried officers of the corporation shall receive this fee only for days or portions thereof in attendance at such meetings. In addition to these payments directors are to be reimbursed for reasonable expenses incurred in connection with their service to the corporation, including attendance at meetings.

ARTICLE VIII - Officers

Section 1. The officers of the corporation shall be a Chairman of the Board, one or more Vice Chairmen of the Board, the Board of Directors no elected, a President, an Executive Vice President, one or more Vice Presidents, a Treasurer, a Secretary, a Controller, and such other officers as may be chosen from time to time by the Board of Directors.

Section 2. The Chairman of the Board, the Vice Chairman of the Board, if elected, and the President shall be chosen by the Board of Directors from among their own number. The Board of Directors shall choose the other officers of the corporation who may or may not be directors. One person may hold any two offices.

Section 3. Officers of the corporation chosen by the Board of Directors shall hold their respective offices during the pleasure of the Board, until the next annual election, or until their successors may be elected and qualified. Any officer of the corporation may be removed by a vote of the majority of the entire Board of Directors then in office, with or without cause.

ARTICLE IX. - Duties of Officers

Section 1. The Chairman of the Board shall preside at all meetings of the stockholders and directors, shall be ex officio a member of such committees as may be constituted, and shall have full vote upon all matters at such committee meetings as though actually appointed to such committees. He shall give his attention to general policy matters as distinct from daily operating and management affairs, shall be, subject to the Board of Directors, in charge of policies and shall have such further duties and powers as may be vested in him from time to time by resolution of the Board of Directors. The Chairman of the Board shall have, in connection with his duty as chief policy officer, access to all records and officers of the corporation. In the absence of the Chairman of the Board, the Vice Chairman of the Board, if elected, or such other officer as the Chairman may designate, shall, in the order of seniority established by the Chairman of the Board, preside at all meetings of the stockholders and directors and shall perform such other duties as shall be assigned to him from time to time by the Board of Directors.

ARTICLE X.- Certificates of Stock

Section 1. Certificates for shares of the capital stock of the corporation shall be in such form, not inconsistent with the Certificate of Incorporation, as shall be prepared or be approved by the Board of Directors. The certificates shall be signed by the President or a Vice President, and also by the Secretary or an Assistant Secretary. Engraved or printed facsimile signatures

ARTICLE IX - Duties of Officers

Section 1. The Chairman of the Board shall preside at all meetings of the stockholders and directors, shall be ex officio a member of such committees as may be constituted, and shall have full vote upon all matters at such committee meetings as though actually appointed to such committees. He shall give his attention to general policy matters as distinct from daily operating and management affairs, shall be, subject to the Board of Directors, in charge of policies and shall have such further duties and powers as may be vested in him from time to time by resolution of the Board of Directors. The Chairman of the Board shall have, in connection with his duty as chief policy officer, access to all records and officers of the corporation. In the absence of the Chairman of the Board, the Vice Chairman of the Board, if elected, or such other officer as the Chairman may designate, shall, in the order of seniority established by the Chairman of the Board, preside at all meetings of the stockholders and directors and shall perform such other duties as shall be assigned to him from time to time by the Board of Directors.

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Section 1. Certificates for shares of the capital stock of the corporation shall be in such form, not inconsistent with the Certificate of Incorporation, as shall be prepared or be approved by the Board of Directors. The certificates shall be signed by the President or a Vice President, and also by the Secretary or an Assistant Secretary. Approved or printed facsimile signatures

6/15/53

of any of these officers may be used on stock certificates, under such circumstances and conditions as permitted by the laws of Delaware, the Certificate of Incorporation, and by the Bylaws of this corporation.

Section 4. The Board of Directors may appoint one or more Transfer Agents and one or more Registrars of transfers. In such event all stock certificates must bear in the usual form the signature of a Transfer Agent and of a Registrar of transfers. Engraved or printed facsimile signatures of officers, or with the approval of the Board of Directors or Executive Committee, of former officers of this corporation authorized to sign stock certificates may be used on such certificates, but such facsimile signatures may be used only in the event that a Transfer Agent and a Registrar have been appointed and are acting.

ARTICLE XIII. - Amendments to Bylaws

Section 1. The Board of Directors of the corporation shall have power from time to time and at any meeting of the Board of Directors to make, alter or repeal any Bylaw of the corporation, provided that the resolution so altering, amending or repealing any Bylaw is carried by the affirmative vote of a majority of the entire Board of Directors then in office, but any Bylaw made by the Board of Directors may be altered, amended or repealed by the stockholders at any annual meeting or at any special meeting, provided that notice of such proposed alteration, amendment or repeal is included in the notice of such special meeting.

6/25/23

of any of these officers may be used on stock certificates, under

such circumstances and conditions as permitted by the laws of
Delaware, the Certificate of Incorporation, and by the Bylaws of
this corporation.

Section 4. The Board of Directors may appoint one or

more Transfer Agents and one or more Registrars of Transfers.
In such event all stock certificates must bear in the usual form
the signature of a Transfer Agent and of a Registrar of Transfers.
Approved or printed facsimile signatures of officers, or with the
approval of the Board of Directors or Executive Committee, of
former officers of this corporation authorized to sign stock
certificates may be used on such certificates, but such facsimile
signatures may be used only in the event that a Transfer Agent and
a Registrar have been appointed and are acting.

ARTICLE XIII. - Amendments to Bylaws

Section 1. The Board of Directors of the corporation

shall have power from time to time and at any meeting of the Board
of Directors to make, alter or repeal any Bylaw of the corporation,
provided that the resolution so altering, amending or repealing any
Bylaw is carried by the affirmative vote of a majority of the entire
Board of Directors then in office, but any Bylaw made by the Board
of Directors may be altered, amended or repealed by the stockholders
at any annual meeting or at any special meeting, provided that notice
of such proposed alteration, amendment or repeal is included in the
notice of such special meeting.

3. The Chairman then suggested that consideration be given to the election of two Vice Chairmen of the Board. After discussion, the names of Frank Pace, Jr. and Lawrence B. Richardson were placed in nomination for the offices of Vice Chairmen of the Board. Upon a motion duly made, seconded and carried by the unanimous vote of all directors present except Messrs. Pace and Richardson who were recorded as not voting, Frank Pace, Jr. and Lawrence B. Richardson were elected Vice Chairmen of the Board, to hold office at the pleasure of the Board, until their respective successors are elected and qualified.

4. The Chairman next stated that the establishment of the number of members of the Executive Committee of the Board of Directors, the establishment of the number of members of that committee which should constitute a quorum, and the election of that committee were in order. Thereupon the names of John Jay Hopkins, Joseph T. McNarney, Lawrence B. Richardson, Frank Pace, Jr., J. V. Naish, George W. Codrington and S. R. Inch, were placed in nomination as members of the Executive Committee of the Board of Directors. After discussion and upon a motion duly made, seconded and carried by the unanimous vote of all directors present constituting a majority of the entire Board then in office, the following resolution was adopted:

RESOLVED that pursuant to the Bylaws of the company there shall be and hereby is elected, until further action of the Board of Directors, an Executive Committee of the Board of Directors composed of seven directors, to consist of John Jay Hopkins, Chairman, Joseph T. McNarney, Lawrence B. Richardson, Frank Pace, Jr., J. V. Naish, George W. Codrington and S. R. Inch; and be it further

2. The Chairman then suggested that consideration be given to the election of the Vice Chairman of the Board. After discussion, the names of Frank Pace, Jr. and Lawrence B. Richardson were placed in nomination for the office of Vice Chairman of the Board. Upon a motion duly made, seconded and carried by the unanimous vote of all directors present except Messrs. Pace and Richardson who were recorded as not voting, Frank Pace, Jr. and Lawrence B. Richardson were elected Vice Chairman of the Board, to hold office at the pleasure of the Board, until their respective successors are elected and qualified.

3. The Chairman next stated that the establishment of the number of members of the Executive Committee of the Board of Directors, the establishment of the number of members of that committee which should constitute a quorum, and the election of that committee were in order. Thereupon the names of John Jay Hopkins, Joseph T. Hollaway, Lawrence B. Richardson, Frank Pace, Jr., J. V. Ketch, George W. Coblentz and S. E. Inch, were placed in nomination as members of the Executive Committee of the Board of Directors. After discussion and upon a motion duly made, seconded and carried by the unanimous vote of all directors present constituting a majority of the entire Board then in office, the following resolution was adopted:

RESOLVED that pursuant to the Bylaws of the company there shall be and hereby is elected, until further action of the Board of Directors, an Executive Committee of the Board of Directors composed of seven directors, to consist of John Jay Hopkins, Chairman, Joseph T. Hollaway, Lawrence B. Richardson, Frank Pace, Jr., J. V. Ketch, George W. Coblentz and S. E. Inch; and be it further

RESOLVED that at all meetings of the Executive Committee of the Board of Directors, three members of the committee shall be necessary to constitute a quorum for the transaction of business.

5. The Chairman then suggested the establishment of various additional committees. After discussion and upon a motion duly made, seconded and unanimously carried by the unanimous vote of all directors present constituting a majority of the entire Board then in office, the following resolution was adopted:

RESOLVED that, until further action of the Board of Directors, the following committees be established to have and exercise the powers hereinafter set forth, and that the following members of this Board be and they hereby are designated as members of said committees:

1. Administration and Organization

a. This committee shall consider and make recommendations to the Board of Directors concerning such matters of administration and organization as may be specifically referred to it by this Board or by the Chairman of the Board.

b. Its membership shall be:

Joseph T. McNarney, Chairman
Frank Pace, Jr.
Henry M. Marx

2. Salary

a. This committee shall consider and make recommendations to the Board of Directors concerning salary policies of the company, salaries of officers and employees of the company receiving \$25,000 or more per annum, and compensation paid or to be paid under consultant arrangements.

b. Its membership shall be:

G. W. Codrington, Chairman
Donald N. McDonnell
C. M. Miller

RESOLVED that at all meetings of the Executive Committee of the Board of Directors, three members of the committee shall be necessary to constitute a quorum for the transaction of business.

2. The Chairman then suggested the establishment of various additional committees. After discussion and upon a motion duly made, seconded and unanimously carried by the unanimous vote of all directors present constituting a majority of the entire Board then in office, the following resolution was adopted:

RESOLVED that, until further action of the Board of Directors, the following committees be established to have and exercise the powers hereinafter set forth, and that the following members of this Board be and they hereby are designated as members of said committees:

1. Administration and Organization

a. This committee shall consider and make recommendations to the Board of Directors concerning such matters of administration and organization as may be specifically referred to it by this Board or by the Chairman of the Board.

b. Its membership shall be:

Joseph T. Hollenbeck, Chairman
Frank Lane, Jr.
Henry W. Marx

2. Salary

a. This committee shall consider and make recommendations to the Board of Directors concerning salary policies of the company, salaries of officers and employees of the company exceeding \$25,000 or more per annum, and compensation paid or to be paid under consultant arrangements.

b. Its membership shall be:

G. V. Gehringer, Chairman
Donald W. McDonald
G. W. Miller

3. Incentive Compensation

- a. This committee shall consider and make recommendations to the Board of Directors concerning any proposed plans for incentive compensation to officers and employees of the company.
- b. Its membership shall be:

John D. Hertz, Chairman
G. W. Codrington
E. C. Alvord

4. Auditing

- a. This committee shall consider and make recommendations to the Board of Directors concerning the selection of independent auditors for the company and policies of the company in respect of the nature and scope of audits, both internal and external.
- b. Its membership shall be:

C. M. Miller, Chairman
L. J. Gross
L. T. Cohu

5. Education Advisory

- a. This committee shall consider and make recommendations to the Board of Directors concerning any proposed contributions in the nature of grants to educational institutions in support of engineering scholarships or educational programs.
- b. Its membership shall be:

L. B. Richardson, Chairman
I. M. Laddon
O. P. Robinson, Jr.

6. It was next suggested that the action of L. W. Miller, Vice President of the company, in executing an amendment to the Credit Agreement, substituting the name of Mr. Hopkins for the name

3. Incentive Compensation

a. This committee shall consider and make recommendations to the Board of Directors concerning any proposed plans for incentive compensation to officers and employees of the company.

b. Its membership shall be:

John D. Hertz, Chairman
G. W. Gorington
E. C. Alvord

4. Auditing

a. This committee shall consider and make recommendations to the Board of Directors concerning the selection of independent auditors for the company and policies of the company in respect of the nature and scope of audits, both internal and external.

b. Its membership shall be:

G. H. Miller, Chairman
J. J. Gross
E. T. John

5. Educational Activity

a. This committee shall consider and make recommendations to the Board of Directors concerning any proposed contributions in the nature of grants to educational institutions in support of engineering, scholarship or educational programs.

b. Its membership shall be:

I. B. Robertson, Chairman
I. M. Jackson
O. P. Robinson, Jr.

c. It was next suggested that the action of J. W. Miller,

Vice President of the company, in executing an amendment to the

Credit Agreement, substituting the name of Mr. Hopkins for the name

of Floyd B. Odlum where it appears in the Credit Agreement, be ratified. Upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the action of L. W. Miller, Vice President of Consolidated Vultee Aircraft Corporation, in executing the Second Supplemental Agreement dated as of June 1, 1953 between Consolidated Vultee Aircraft Corporation and certain Banks under a Credit Agreement dated April 30, 1951, as amended by a First Supplemental Agreement dated as of April 30, 1952, be and it hereby is ratified and approved.

7. Consideration was then given to an extension for a one year period from June 30, 1953 to June 30, 1954, at a total rental of \$10,000, of an occupancy permit on approximately 114.5 acres of tidelands between Harbor Drive and Lindbergh Field, San Diego. Mr. Watts stated that the area involved here is the last parcel open for expansion at Lindbergh Field, and must be retained for use in storage of aircraft and equipment. He further stated that the rate is far below the established leasehold rate of .05 cents per square foot. After due consideration and upon a motion duly made, seconded and unanimously carried, the officers of the company were authorized and instructed to negotiate and execute a one year extension of an occupancy permit, at a total rental of \$10,000, on approximately 114.5 acres of tidelands lying between Harbor Drive and Lindbergh Field in San Diego, California.

8. The President then stated that the operating conditions at the Fort Worth Division and the responsibilities carried by the Division Manager of that division warranted the election of August C. Esenwein, Division Manager, as a Vice President of the company. After consideration and upon a motion duly made,

of Floyd E. Olson where it appears in the Credit Agreement, be
 verified. Upon a motion duly made, seconded and unanimously

carried, the following resolution was adopted:

RESOLVED that the action of J. W. Miller, Vice
 President of Consolidated Values Attorney's Corporation,
 in executing the second Supplemental Agreement dated
 as of June 1, 1953 between Consolidated Values Attorney's
 Corporation and certain banks under a Credit Agreement
 dated April 30, 1951, as amended by a first Supplemental
 Agreement dated as of April 30, 1952, be and it hereby
 is verified and approved.

7. Consideration was then given to an extension for a

one year period from June 30, 1953 to June 30, 1954, at a total
 rental of \$10,000, of an occupancy permit on approximately 11.5
 acres of lands between Harbor Drive and Lindbergh Field, San
 Diego. Mr. Watts stated that the area involved here is the last
 parcel open for expansion at Lindbergh Field, and must be retained
 for use in storage of aircraft and equipment. He further stated
 that the rate is far below the established household rate of \$5
 cents per square foot. After due consideration and upon a motion
 duly made, seconded and unanimously carried, the officers of the
 company were authorized and instructed to negotiate and execute a
 one year extension of an occupancy permit, at a total rental of
 \$10,000, on approximately 11.5 acres of lands lying between
 Harbor Drive and Lindbergh Field in San Diego, California.

8. The President then stated that the operating con-

ditions at the Fort Worth Division and the responsibility
 carried by the Division Manager of that division warranted the
 election of August C. Hecox, Division Manager, as a Vice President
 of the company. After consideration and upon a motion duly made,

seconded and unanimously carried, August C. Esenwein was elected a Vice President of the company to hold that office at the pleasure of the Board, concurrently with his position as Division Manager, until the next annual meeting of the Board of Directors of the company and until his successor is elected and qualified, and the officers of the company were authorized to execute an amendment to Mr. Esenwein's current employment agreement to increase the rate of his compensation thereunder to \$35,000 a year, effective June 15, 1953. A committee composed of Messrs. McNarney and Naish then escorted Mr. Esenwein into the room to receive the congratulations of the Board, after which Mr. Esenwein retired from the room.

9. It was next suggested that the officers of the company be authorized to place orders in the approximate aggregate amount of \$3,095,000 for the balance of materials needed for the production of Model 340 airplanes No. 208 through 239. There followed a detailed discussion on the status of the Model 340 airplane program in the course of which J. G. Zevely, Director of Contracts, was called into the meeting and took part in the discussion. It was stated that of a total of \$8,795,000 required for making commitments for materials to manufacture Model 340 airplanes No. 208 through 239, \$5,700,000 had been authorized for the purchase of long lead items under approval granted by the Board of Directors at a meeting held on March 17, 1953, and that the time had now come for the placing of orders in the amount of \$3,095,000 for the balance of materials needed to make full "ship-sets" quantities in order to maintain procurement continuity on a $2\frac{1}{2}$ day line move schedule. It was further stated that at the

resigned and was subsequently elected, August 5, 1952, as President of the company to hold that office at the pleasure of the Board, concurrently with his position as Division Manager, until the next annual meeting of the Board of Directors of the company and until his successor is elected and qualified, and the officers of the company were authorized to execute an amendment to Mr. Baughman's current employment agreement to increase the rate of his compensation thereunder to \$35,000 a year, effective June 15, 1953. A committee composed of Messrs. Hollenbeck and Walsh then escorted Mr. Baughman into the room to receive the congratulations of the Board, after which Mr. Baughman retired from the room.

9. It was next suggested that the officers of the company be authorized to place orders in the approximate aggregate amount of \$3,000,000 for the balance of materials needed for the production of Model 340 airplanes No. 308 through 332. There followed a detailed discussion on the status of the Model 340 airplane program in the course of which J. G. Severy, Director of Contracts, was called into the meeting and took part in the discussion. It was stated that a total of \$8,752,000 required for making commitments for materials to manufacture Model 340 airplanes No. 308 through 332, \$5,700,000 had been authorized for the purchase of long lead items under approval granted by the Board of Directors at a meeting held on March 17, 1953, and that the time had now come for the placing of orders in the amount of \$3,000,000 for the balance of materials needed to make full "ship-outs" quantities in order to maintain procurement continuously on a 90-day time schedule. It was further stated that at the

next meeting of the Board the Model 340 sales program would be fully reviewed. After considerable discussion, upon a motion duly made, seconded and unanimously carried, the officers of the company were authorized to place orders in the approximate aggregate amount of \$3,095,000 for the balance of materials needed for the production of Model 340 airplanes No. 208 through 239, subject to such commitments being permissible under the provisions of the company's Credit Agreement.

At this point Mr. Zevely retired from the room.

10. Upon a motion then duly made, seconded and unanimously carried, the following contributions were approved:

- a. \$500 Overseas Press Club of America, Inc. with authority granted to the President to increase the amount to \$1,000 at his discretion.
- b. \$500 to San Diego County Traffic Safety Council.
- c. \$250 to United Jewish Fund of San Diego.

In addition, the company's sponsorship of the 1954 P.G.A. Open Golf Tournament for San Diego, involving underwriting of purses, fees and expenses, was approved, and the expenditure of funds for interim expenses (by establishment of a special account of \$2,000) was approved.

11. The preliminary financial statements as of May 31, 1953 were next received, discussed and filed.

At this point Mr. Notman retired from the room.

12. The Chairman next stated that in connection with the request of the company for a facility security clearance, the Defense Department had requested that the Board of Directors make it a matter of record that no foreign national employed by or attached to the

next meeting of the Board the Hotel No. 1000 project would be fully reviewed. After considerable discussion, upon a motion duly made, seconded and unanimously carried, the officers of the company were authorized to place orders in the appropriate agencies amount of \$3,000 for the balance of materials needed for the production of Hotel No. 1000 airplanes No. 200 through 299, subject to such amendments being permissible under the provisions of the company's Credit Agreement.

At this point Mr. Zevy retired from the room.

10. Upon a motion then duly made, seconded and unanimously

carried, the following contributions were approved:

- a. \$200 Overseas Press Club of America, Inc. with authority granted to the President to increase the amount to \$1,000 at his discretion.
- b. \$200 to San Diego County Traffic Safety Council.
- c. \$250 to United Jewish Fund of San Diego.

In addition, the company's sponsorship of the 1953 P.O.A. Open Golf Tournament for San Diego, involving waiving of prizes, fees and expenses, was approved, and the expenditure of funds for interest expenses (by establishment of a special account of \$2,000) was approved.

11. The preliminary financial statements as of May 31, 1953

were read received, discussed and filed.

At this point Mr. Holman retired from the room.

12. The Chairman next stated that in connection with the request of the company for a facility security clearance, the Defense Department had requested that the Board of Directors make it a matter of record that no foreign national employed by or attached to the

company is to have access to the classified matter of any United States Military Department without the express consent of the Department involved. Upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

WHEREAS, the facility security clearances heretofore issued by the Department of Defense of the United States to Consolidated Vultee Aircraft Corporation are about to be reprocessed, and

WHEREAS, in connection therewith an additional corporate undertaking and agreement is required by the Department of Defense of the United States, Now therefore it is,

RESOLVED: That no foreign national employed by or attached to this company is to have access to the classified matter of any United States Military Department without the express consent of the Department involved.

At this point R. H. Biron, A. C. Esenwein, T. G. Lanphier, Jr., Vice Presidents; J. E. Arnold, Division Manager; J. G. Zevely, Director of Contracts; and E. F. Jones, Assistant to the President, entered the room.

13. General McNarney then reported on the progress of the company. During the course of this report, Mr. Biron was called upon to comment on the labor situation at the Fort Worth Division, Mr. Arnold presented picture slides showing company occupied facilities at Daingerfield, Texas, and Mr. Esenwein presented charts showing the status of projects at the Fort Worth Division. Subject to existing security regulations, the report of the President was ordered filed with the records of the meeting.

company is to have access to the classified matter of any United

States Military Department without the express consent of the

Department involved. Upon a motion duly made, seconded and

unanimously carried, the following resolution was adopted:

WHEREAS, the facility security clearance here-
before issued by the Department of Defense of the
United States to Consolidated Vultee Aircraft Corpora-
tion are about to be reissued, and

WHEREAS, in connection therewith an additional
corporate undertaking and agreement is required by
the Department of Defense of the United States, now
therefore it is,

RESOLVED: That no foreign national employed
by or attached to this company is to have access
to the classified matter of any United States
Military Department without the express consent
of the Department involved.

At this point R. H. Biron, A. G. Bannwin, T. G. Langhiser, Jr.,

Vice President; J. E. Arnold, Division Manager; J. G. Kevley, Director

of Construction; and E. F. Jensen, Assistant to the President, entered the

room.

12. General McNamara then reported on the progress of the

company. During the course of this report, Mr. Biron was called upon

to comment on the labor situation at the Fort Worth Division, Mr.

Arnold presented picture slides showing company occupied facilities

at Birminghams, Texas, and Mr. Bannwin presented charts showing

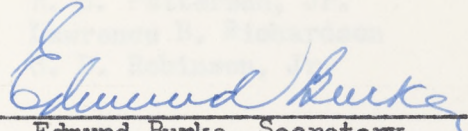
the status of projects at the Fort Worth Division. Subject to excep-

tion security regulations, the report of the President was ordered

filed with the records of the meeting.

14. The Chairman announced that the next regular meeting of directors will be held at the offices of the company in San Diego at 10:00 a.m. on Friday, July 24, 1953.

15. There being no further business to come before the meeting, it was thereupon adjourned.


Edmund Burke, Secretary

Pursuant to the provisions of the Bylaws, a regular meeting of the Board of Directors of this company will be held at 10:00 a.m. Pacific Daylight Saving Time on Friday, July 24, 1953, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

A room will be reserved for you at the La Jolla Hotel for company on July 24, 1953, or earlier if you will arrive in San Diego before that date for a committee meeting. If you plan on attending the meeting please indicate whether the room will be required, and as of what date.

Sincerely,

Edmund Burke, Secretary

14. The Chairman announced that the next regular meeting of directors will be held at the offices of the company in San Diego at 10:00 a.m. on Friday, July 31, 1953.

15. There being no further business to come before the meeting, it was thereupon adjourned.


Edmund Burke, Secretary

July 3, 1953

To: Ellsworth C. Alvord
George W. Codrington
Lambert J. Gross
Roger I. Harris
John D. Hertz
Henry M. Marx
Donald N. McDonnell

Clifton M. Miller
J. Geoffrey Notman
Frank Pace, Jr.
R. C. Patterson, Jr.
Lawrence B. Richardson
O. P. Robinson, Jr.

Pursuant to the provisions of the Bylaws, a regular meeting of the Board of Directors of this company will be held at 10:00 a.m. Pacific Daylight Saving Time on Friday, July 24, 1953, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

A room will be reserved for you at the La Jollan Hotel for occupancy on July 23, 1953, or earlier if you will arrive in San Diego before that date for a committee meeting. If you plan on attending the meeting please indicate whether the room will be required, and as of what date.

Sincerely

Edmund Burke, Secretary

July 1, 1953

Clifton W. Miller
J. Geoffrey Norman
Frank Pace, Jr.
R. G. Patterson, Jr.
Lawrence H. Richardson
C. F. Robinson, Jr.

For: Ellsworth C. Alvord
George W. Coltrane
Lambert J. Gross
Roger I. Harris
John D. Harris
Henry M. Harx
Donald W. McDermott

Pursuant to the provisions of the Bylaws,
a regular meeting of the Board of Directors of this
company will be held at 10:00 a.m. Pacific Daylight
Saving Time on Friday, July 31, 1953, at the offices
of the company in San Diego, for the transaction of
any business that may properly come before the meeting.

Please use the accompanying copy of this
letter to tell us whether you will attend the meeting.

A room will be reserved for you at the La
Jolla Hotel for occupancy on July 31, 1953, or
earlier if you will arrive in San Diego before that
date for a committee meeting. If you plan an attend-
ing the meeting please indicate whether the room will
be required, and as of what date.

Sincerely,

Edward Bute, Secretary

July 3, 1953

To: Joseph T. McNarney I. M. Laddon
J. V. Naish W. C. Rockefeller
LaMotte T. Cohu Robert B. Watts
S. R. Inch

Pursuant to the provisions of the Bylaws, a regular meeting of the Board of Directors of this company will be held at 10:00 a.m. Pacific Daylight Saving Time on Friday, July 24, 1953, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Sincerely

Edmund Burke, Secretary

July 3, 1953

To: Joseph T. McNamara
J. V. Walsh
Lawrence T. John
S. R. Jacob
I. M. Landon
W. D. MacFarlane
Robert E. Walsh

Pursuant to the provisions of the
Bylaws, a regular meeting of the Board of
Directors of this company will be held at
10:00 a.m. Pacific Daylight Saving Time on
Friday, July 31, 1953, at the office of
the company in San Diego, for the transaction
of any business that may properly come before
the meeting.

Please use the accompanying copy of
this letter to tell us whether you will attend
the meeting.

Sincerely,

Edward Burke, Secretary

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD FRIDAY, JULY 24, 1953

A regular meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at the general offices of the company in San Diego, California, on Friday, July 24, 1953, at 10:00 a.m. Pacific Daylight Saving Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

John Jay Hopkins	Donald N. McDonnell
Ellsworth C. Alvord	Joseph T. McNarney
George W. Codrington	Clifton M. Miller
LaMotte T. Cohu	J. V. Naish
Lambert J. Gross	Frank Pace, Jr.
Roger I. Harris	R. C. Patterson, Jr.
S. R. Inch	Lawrence B. Richardson
I. M. Laddon	O. P. Robinson, Jr.
Henry M. Marx	W. C. Rockefeller

The following directors were absent:

John D. Hertz
J. Geoffrey Notman

Robert B. Watts, Vice President and General Counsel, and D. T. Fisher, Controller; also Kenneth Stiles, Assistant to Executive Vice President, General Dynamics Corporation, were present by invitation.

John Jay Hopkins, Chairman, presided at the meeting and Edmund Burke, Secretary, recorded the minutes.

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF CONSOLIDATED WATER AIRCRAFT CORPORATION
Held Friday, July 24, 1923

A regular meeting of the Board of Directors of Consolidated Water Aircraft Corporation was held at the general offices of the company in San Diego, California, on Friday, July 24, 1923, at 10:00 a.m. Pacific Daylight Saving Time, pursuant to notice given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and

constituted a quorum for the transaction of business:

Donald E. Johnson	John Jay Hopkins
Joseph T. Johnson	Elmer C. Alford
Gilbert H. Miller	George W. Cunningham
L. F. Walsh	Laurel T. Cobb
Frank Pace, Jr.	Laurel J. Cobb
E. C. Patterson, Jr.	Roger I. Harris
Lawrence E. Richardson	E. F. Nash
C. E. Robinson, Jr.	I. M. Landon
W. C. Rockafellow	Henry H. Marx

The following directors were absent:

John D. Harris
J. Geoffrey Nelson

Robert E. White, Vice President and General Counsel, and
D. T. Fisher, Controller, also Kenneth Selles, Assistant to Executive
Vice President, General Dynamics Corporation, were present by

invitation.

John Jay Hopkins, Chairman, presided at the meeting and

Edward Burke, Secretary, reported the minutes.

1. The Chairman suggested that consideration be given to the declaration of a quarterly dividend on the common stock of the company. After discussion and full consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that a quarterly dividend of 45 cents a share on the outstanding fully-paid common stock of this company be and it hereby is declared and ordered paid on August 25, 1953 to the holders of said common stock of record at the close of business on August 14, 1953; and be it further

RESOLVED that pursuant to the Executive Officers' and Key Employees' Stock Purchase Plan of this company, a proportion of the foregoing dividend based upon the percentage of the total subscription consideration which has actually been paid on such partly-paid shares of the common stock of this company as are outstanding under the aforesaid Plan at the close of business on August 14, 1953, is hereby declared and ordered paid on August 25, 1953, to the holders of said partly-paid shares of common stock of record at the close of business on August 14, 1953, as certified as to the holders, the number of partly-paid shares held by each on said date and the percentages paid on said shares held by them on or before said date, to the Dividend Disbursing Agent, by the Secretary or an Assistant Secretary of the company; and be it further

RESOLVED that the officers of the company be and they hereby are authorized and instructed to deliver to The Chase National Bank of the City of New York, the Dividend Disbursing Agent of the company, the funds required to make the foregoing cash disbursements, and The Chase National Bank of the City of New York, acting as Dividend Disbursing Agent, is instructed to disburse the dividends to the holders of record in accordance with the terms of the foregoing resolutions.

At this point J. G. Zevely, Director of Contracts, accompanied by A. W. Abels, M. R. Miller, F. D. Sinclair, R. J. Pfeiffer and L. D. Sullivan, members of Mr. Zevely's staff, entered the room.

1. The Chairman suggested that consideration be given to the declaration of a quarterly dividend on the common stock of the company. After discussion and full consideration and upon a motion duly made, seconded and unanimously carried, the following

resolutions were adopted:

RESOLVED that a quarterly dividend of 15 cents a share on the outstanding fully-paid common stock of this company be and it hereby is declared and ordered paid on August 25, 1952 to the holders of said common stock of record at the close of business on August 15, 1952; and be it further

RESOLVED that pursuant to the Executive Officers' and Key Employees' Stock Purchase Plan of this company, a proportion of the foregoing dividend based upon the percentage of the total subscription contribution which has actually been paid on such partly-paid shares of the common stock of this company as are outstanding under the aforesaid Plan at the close of business on August 15, 1952, is hereby declared and ordered paid on August 25, 1952, to the holders of said partly-paid shares of common stock of record at the close of business on August 15, 1952, as certified as to the holders, the number of partly-paid shares held by each on said date and the percentages paid on said shares held by them, as or before said date, to the Dividend Distributing Agent, by the Secretary or an Assistant Secretary of the company and be it further

RESOLVED that the officers of the company do and they hereby are authorized and instructed to deliver to the Chase National Bank of the City of New York, the Dividend Distributing Agent of the company, the funds required to make the foregoing cash distributions, and the Chase National Bank of the City of New York, acting as Dividend Distributing Agent, is instructed to disburse the dividends to the holders of record in accordance with the terms of the foregoing resolutions.

At this point J. G. Levey, Director of Contracts, seconded by A. W. Adams, M. E. Miller, F. E. Stuchlik, R. J. Twilman and J. D. Sullivan, members of Mr. Levey's staff, entered the room.

2. Messrs. Zevely and Miller then presented a review of the Model 340 sales program, after which Messrs. Zevely, Abels, Miller, Sinclair, Pfeiffer and Sullivan retired from the room.

3. The Secretary next presented the minutes of the meeting of the Board of Directors held on June 15, 1953. After due consideration the minutes of this meeting were approved as recorded.

4. It was then suggested that the existing resolutions controlling contract signing authority be amended. After discussion and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that the resolutions adopted by the Board of Directors at a meeting held on July 24, 1952, as amended, establishing the contract signing authority of various officers and employees of the company, be further amended to read as follows:

RESOLVED that the resolutions adopted by the Executive Committee of the Board of Directors at a meeting held on March 25, 1948, and all amendments thereto adopted at meetings of either the Executive Committee or the Board of Directors held on November 10, 1948, December 16, 1948, March 7, 1949, March 29, 1949, May 6, 1949, August 23, 1949, September 26, 1949, February 24, 1950, March 20, 1950, November 27, 1950, January 26, 1951, March 7, 1951, July 12, 1951, October 31, 1951 and April 21, 1952, authorizing the holders of certain offices or positions with this corporation to execute contracts, agreements, and other documents, be and they hereby are rescinded; provided, however, the certified signatures of the currently authorized signatories under these rescinded resolutions are hereby continued as certified signatures, but only insofar as is consistent with the provisions hereof; and be it further

RESOLVED that the holders of the offices or positions hereinafter designated, be and they hereby are authorized severally, and not jointly, to execute for and in the name

2. Messrs. Jewell and Miller then presented a review of the Hotel No sales program, after which Messrs. Jewell, Miller, Sinclair, Pfeiffer and Sullivan retired from the room.

3. The Secretary next presented the minutes of the meeting of the Board of Directors held on June 12, 1952. After the consideration the minutes of this meeting were approved as recorded.

4. It was then suggested that the existing resolutions controlling contract signing authority be amended. After discussion and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that the resolutions adopted by the Board of Directors at a meeting held on July 26, 1952, as amended, authorizing the contract signing authority of various officers and employees of the company, be further amended to read as follows:

RESOLVED that the resolutions adopted by the Executive Committee of the Board of Directors at a meeting held on March 25, 1952, and all amendments thereto adopted at meetings of either the Executive Committee or the Board of Directors held on November 10, 1952, December 15, 1952, March 7, 1953, March 20, 1953, May 6, 1953, August 27, 1953, September 26, 1953, February 26, 1954, March 30, 1954, November 27, 1954, January 26, 1955, March 7, 1955, July 12, 1955, October 27, 1955 and April 27, 1956, authorizing the holders of certain offices or positions with this corporation to execute contracts, agreements, and other documents, be and they hereby are resolved; provided, however, the certified signatures of the currently authorized signatories under these resolutions are hereby continued as certified signatures, but only insofar as is consistent with the provisions hereof; and be it further

RESOLVED that the holders of the offices or positions hereinafter designated, be and they hereby are authorized severally, and not jointly, to execute for and in the name

7/24/53

of the corporation the contracts, agreements and other documents incident and necessary to the operations of this corporation hereinafter referred to, except checks, drafts, and other orders on funds of the company, subject to the limitations hereinafter indicated:

- a. The following without limitation as to value with respect to documents of any kind and nature; provided that any of such documents involving an amount in excess of \$1,000,000 shall either be signed by any two of the following or specifically approved by the Board of Directors or the Executive Committee of said Board:

Chairman of the Board
President
Any Vice President
Controller

- b. The following with limitation of \$1,000,000 value in any one case but only with respect to those documents relative to sales:

Director of Contracts

- c. The following with limitation of \$1,000,000 value in any one case but only with respect to the purchase of raw materials, standard parts and supplies and contracts and other agreements with subcontractors:

Director of Procurement

- d. The following division employees with limitation of \$1,000,000 value in any one case but only with respect to documents that pertain to the operation of the division in which the signatory is employed:

Any Division Manager

- e. The following division employees with limitation of \$100,000 value in any one case but only with respect to those documents relative to sales that pertain to the operation of the division in which the signatory is employed:

Any Assistant Division Manager
Any Manager of Contracts

of the corporation the contracts, agreements and other documents incident and necessary to the operation of this corporation hereinafter referred to, except checks, drafts, and other orders on funds of the company, subject to the limitations hereinafter indicated:

a. The following without limitation as to value with respect to documents of any kind and nature; provided that any of such documents involving an amount in excess of \$1,000,000 shall either be signed by any two of the following or specifically approved by the Board of Directors or the Executive Committee of said Board:

Chairman of the Board
President
Any Vice President
Controller

b. The following with limitation of \$1,000,000 value in any one case but only with respect to those documents relative to sales:

Director of Contracts

c. The following with limitation of \$1,000,000 value in any one case but only with respect to the purchase of raw materials, standard parts and supplies and contracts and other agreements with subcontractors:

Director of Procurement

d. The following division employees with limitation of \$1,000,000 value in any one case but only with respect to documents that pertain to the operation of the division in which the activity is engaged:

Any Division Manager

e. The following division employees with limitation of \$100,000 value in any one case but only with respect to those documents relative to sales that pertain to the operation of the division in which the activity is engaged:

Any Assistant Division Manager
Any Manager of Contracts

- f. The following division employees with limitation of \$10,000 value in any one case but only with respect to those documents relative to sales that pertain to the operation of the division in which the signatory is employed:

Any Assistant Manager of Contracts
Any Contracts Administration General Supervisor

- g. The following division employees with limitation of \$10,000 value in any one case but only with respect to those documents relative to spares and parts sales that pertain to the operation of the division in which the signatory is employed:

Any Parts Sales General Supervisor
Any Spares Supervisor

- h. The following division employees with limitation of \$500,000 value in any one case but only with respect to those purchase orders for raw materials, standard parts, and supplies that pertain to the operation of the division in which the signatory is employed:

Any Assistant Division Manager
Any Manager of Material
Any General Purchasing Agent
Any Purchasing Agent

- i. The following division employees with limitation of \$20,000 value in any one case but only with respect to those purchase orders for raw materials, standard parts and supplies that pertain to the operation of the division in which the signatory is employed; provided, however, that a signatory of the San Diego Division may execute purchase orders for supplies to be used by the general offices of the corporation:

Any Buying Supervisor
Any Senior Buyer

- j. The following division employees with limitation of \$10,000 value in any one case but only with respect to those purchase orders for raw materials, standard parts, and supplies that pertain to the operation of the division in which the signatory is employed; provided, however, that a signatory of the San Diego Division may execute purchase orders for supplies to be used by the general office of the corporation:

The following division employees with limitation of \$10,000 value in any one case but only with respect to those documents relative to sales that pertain to the operation of the division in which the activity is engaged:

Any Assistant Manager of Contracts
Any Contract Administration General Supervisor

The following division employees with limitation of \$10,000 value in any one case but only with respect to those documents relative to sales and parts sales that pertain to the operation of the division in which the activity is engaged:

Any Parts Sales General Supervisor
Any Service Supervisor

The following division employees with limitation of \$200,000 value in any one case but only with respect to those purchase orders for raw materials, standard parts, and supplies that pertain to the operation of the division in which the activity is engaged:

Any Assistant Division Manager
Any Manager of Materials
Any General Purchasing Agent
Any Purchasing Agent

The following division employees with limitation of \$50,000 value in any one case but only with respect to those purchase orders for raw materials, standard parts and supplies that pertain to the operation of the division in which the activity is engaged; provided, however, that a signature of the San Diego Division may execute purchase orders for supplies to be used by the general offices of the corporation:

Any Buying Supervisor
Any Senior Buyer

The following division employees with limitation of \$10,000 value in any one case but only with respect to those purchase orders for raw materials, standard parts, and supplies that pertain to the operation of the division in which the activity is engaged; provided, however, that a signature of the San Diego Division may execute purchase orders for supplies to be used by the general offices of the corporation:

Any Buyer

- k. The following division employees with limitation of \$500,000 value in any one case but only with respect to the execution of contracts and other agreements with subcontractors or vendors, pertaining to the subcontracting and outside production activities of the division in which the signatory is employed:

Any Assistant Division Manager
Any Chief of Subcontracting

- l. The following division employees with limitation of \$20,000 value in any one case but only with respect to the execution of contracts and other agreements with subcontractors or vendors pertaining to the subcontracting and outside production activities and operations of the division in which the signatory is employed:

Any Buying Supervisor

- m. The following division employees with limitation of \$10,000 value in any one case but only with respect to the execution of contracts and other agreements with subcontractors or vendors pertaining to the subcontracting and outside production activities and operations of the division in which the signatory is employed:

Any Buyer

- n. The following division employees with limitation of \$50,000 value in any one case but only with respect to those contracts and other agreements relative to construction, maintenance, and repair activities, not including utility service contracts, that pertain to the operation of the division in which the signatory is employed:

Any Assistant Division Manager
Any Chief Plant Engineer

and be it further

RESOLVED that the management of each contracting department of the corporation is required to send to the Secretary of the corporation for safekeeping, the original or an executed copy of all contracts or agreements, including the initial and subsequent supporting commitments, except that this requirement does not apply to procurement of materials, assemblies,

Any Paper

The following division employees with limitation of \$50,000 value in any one case but only with respect to the execution of contracts and other agreements with subcontractors or vendors, pertaining to the subcontracting and outside production activities of the division in which the signatory is employed:

Any Assistant Division Manager
Any Chief of Subcontracting

The following division employees with limitation of \$50,000 value in any one case but only with respect to the execution of contracts and other agreements with subcontractors or vendors pertaining to the subcontracting and outside production activities and operations of the division in which the signatory is employed:

Any Acting Supervisor

The following division employees with limitation of \$10,000 value in any one case but only with respect to the execution of contracts and other agreements with subcontractors or vendors pertaining to the subcontracting and outside production activities and operations of the division in which the signatory is employed:

Any Paper

The following division employees with limitation of \$50,000 value in any one case but only with respect to those contracts and other agreements relative to construction, maintenance, and repair activities, not including utility service contracts, that pertain to the operation of the division in which the signatory is employed:

Any Assistant Division Manager
Any Chief Plant Engineer

and be it further

RESOLVED that the management of each contracting department of the corporation is required to send to the Secretary of the corporation for safekeeping, the original or an approved copy of all contracts or agreements, including the initial and subsequent supporting documents, except that this resolution does not apply to procurement of materials, supplies,

7/24/53

tooling, equipment, and supplies ordered on standard Purchase Order forms previously approved by Counsel; and be it further

RESOLVED that the President or a Vice President, acting jointly with the Secretary or an Assistant Secretary of the corporation, be and they hereby are authorized and directed to certify to those governmental agencies, persons, corporations, or associations with whom or with which the corporation has contractual relations, the names and specimen signatures of the respective officers and employees of this corporation holding the offices or positions hereinabove set forth, and the extent of their authority to execute contracts, agreements, and other documents in the operation of divisions or offices of this corporation; and that such governmental agencies, persons, corporations, or associations, shall be entitled to rely thereupon until duly notified in writing of any modifications of these resolutions or of cancellation of the authority of any officers or employees to act under the terms of these resolutions.

5. It was next suggested that the existing resolutions establishing bank accounts and controlling check signing authority (with the exception of the General Office Disbursement Account presently maintained with the Bank of America, Five Points Branch, San Diego, and the Buttress & McClellan, Inc.-Consolidated Vultee Aircraft Corporation Special Account, maintained with the Bank of America, Pomona) be revised. It was further suggested that as a convenience for the banks, the existing resolutions be rescinded and new resolutions be adopted in their place. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted to apply to the banks presently designated as depositaries of funds of the company, and such other banks as may from time to time be selected by the officers of the company as depositaries of funds of the company, for use by the respective divisions or the General Office of the company:

including equipment, and supplies ordered on standard purchase order forms previously approved by Council; and be it further

RESOLVED that the President or a Vice President, acting jointly with the Secretary or an Assistant Secretary of the corporation, be and they hereby are authorized and directed to carry out those governmental agencies, persons, corporations, or associations with whom or with which the corporation has contractual relations, the names and specimen signatures of the respective officers and employees of this corporation holding the offices or positions hereinabove set forth, and the extent of their authority to execute contracts, agreements, and other documents in the operation of divisions or offices of this corporation; and that such governmental agencies, persons, corporations, or associations, shall be entitled to rely thereupon until duly notified in writing of any modification of those powers, terms or of cancellation of the authority of any officers or employees to act under the terms of these resolutions.

2. It was next suggested that the existing resolutions

establishing bank accounts and controlling check signing authority

(with the exception of the General Office Disbursement Account

presently maintained with the Bank of America, Five Points Branch,

San Diego, and the Buttrick & McCallum, Inc.-Consolidated Water

Aluminum Corporation Special Account, maintained with the Bank

of America, Panama) be revised. It was further suggested that

as a convenience for the banks, the existing resolutions be

revised and new resolutions be adopted in their place. After

consideration and upon a motion duly made, seconded and unanimously

carried, the following resolutions were adopted to apply to the

banks presently designated as depositories of funds of the company,

and such other banks as may from time to time be selected by the

officers of the company as depositories of funds of the company,

for use by the respective divisions or the General Office of the

company:

A RESOLVED that (Insert the name and address of the bank)
be and hereby is designated as a depository of the funds of this corporation for the following division accounts of this corporation:

General Deposit Accounts
Controlled Deposit Accounts
Payroll Deposit Accounts
Payroll Deduction Deposit Accounts
Pay-Off Draft Deposit Accounts
United States Savings Bond Deposit Accounts
Petty Cash Accounts

and that the officers, agents, and employees of this corporation be and they hereby are and each of them is, authorized to deposit any of the funds of this corporation in said Bank, provided there shall be deposited by this corporation in said Payroll Deposit Accounts, Payroll Deduction Deposit Accounts, Pay-Off Draft Deposit Accounts, and Petty Cash Accounts, only checks and other instruments for the payment of money drawn against the said General Deposit Accounts.

BE IT FURTHER RESOLVED that until further order of this Board of Directors, any funds of this corporation deposited in said Bank in said General Deposit Accounts or Controlled Deposit Accounts shall be subject to withdrawal or charge at any time and from time to time upon checks, notes, drafts, bills of exchange, or other instruments or orders for the payment of money when signed, drawn, accepted, or endorsed on behalf of this corporation by any two of the following officers, agents, or employees of this corporation or their successors in office or position; provided, that one of the signatories is either the Division Manager, the Assistant Division Manager-Contracts and Procurement, the Manager of Contracts, the Contract Disbursing Supervisor or the Disbursing Supervisor, and that the other signatory is either the Division Controller, the Manager of General Accounting, the Accounting Disbursing Supervisor, the Accounting General Supervisor or the Disbursing Accountant:

Division Manager
Assistant Division Manager-
Contracts and Procurement
Manager of Contracts
Contract Disbursing Supervisor
Disbursing Supervisor
Division Controller
Manager of General Accounting
Accounting Disbursing Supervisor
Accounting General Supervisor
Disbursing Accountant

REMOVED that (insert the name and address of the bank) be and hereby is designated as a depository of the funds of this corporation for the following division accounts of this corporation:

- General Deposit Accounts
- Controlled Deposit Accounts
- Payroll Deposit Accounts
- Payroll Deduction Deposit Accounts
- Pay-Off Draft Deposit Accounts
- United States Savings Bond Deposit Accounts
- Petty Cash Accounts

and that the officers, agents, and employees of this corporation be and they hereby are and each of them is, authorized to deposit any of the funds of this corporation in said bank, provided that they shall be deposited by this corporation in said Payroll Deposit Accounts, Payroll Deduction Deposit Accounts, Pay-Off Draft Deposit Accounts, and Petty Cash Accounts, only checks and other instruments for the payment of money drawn against the said General Deposit Accounts.

BE IT FURTHER REMOVED that with further order of this Board of Directors, any funds of this corporation deposited in said bank in said General Deposit Accounts or Controlled Deposit Accounts shall be subject to withdrawal or charge at any time and from time to time upon checks, notes, drafts, bills of exchange, or other instruments or orders for the payment of money when signed, drawn, accepted, or endorsed on behalf of this corporation by any two of the following officers, agents, or employees of this corporation or their successors in office or position: provided, that one of the signatories is either the Division Manager, the Assistant Division Manager, the Contracting Supervisor, the Manager of Contracts, the Contract Estimating Supervisor or the Estimating Supervisor, and that the other signatory is either the Division Controller, the Manager of General Accounting, the Accounting Supervisor, the Accounting General Supervisor or the Estimating Accountant:

- Division Manager
- Assistant Division Manager
- Contracts and Procurement
- Manager of Contracts
- Contract Estimating Supervisor
- Estimating Supervisor
- Division Controller
- Manager of General Accounting
- Accounting Estimating Supervisor
- Accounting General Supervisor
- Estimating Accountant

7/24/53

BE IT FURTHER RESOLVED that any funds on deposit in the following division bank accounts:

Payroll Deposit Accounts
Payroll Deduction Deposit Accounts

shall be subject to withdrawal upon checks, etc., as aforesaid, signed in the name of this corporation by any one of the aforesaid officers, agents, or employees.

BE IT FURTHER RESOLVED that any funds on deposit in the following division bank accounts:

Pay-Off Draft Deposit Accounts
United States Savings Bond Deposit Accounts
Petty Cash Accounts

shall be subject to withdrawal upon checks, etc., as aforesaid, signed in the name of this corporation by any one of the aforesaid officers, agents, or employees or by any division employee designated in writing by any one of the aforesaid officers, agents or employees.

BE IT FURTHER RESOLVED that the bank is hereby authorized to honor and pay any such instruments or make any such charge and also receive the same from the payee or any other holder without inquiry as to the circumstances of issue or the disposition of the proceeds even if drawn to the individual order of any signing person or payable to said Bank or others for his account or tendered in payment of his individual obligation and whether drawn against an account in the name of this corporation or in the name of any officers, agents, or employees of this corporation as such.

BE IT FURTHER RESOLVED that the Secretary or an Assistant Secretary of this corporation, when acting jointly with the Chairman of the Board or President or any Vice President, shall be and hereby is authorized to certify to said Bank the names and specimen signatures of the officers, agents and employees of this corporation who now hold or may from time to time hereafter hold the offices or positions of:

Division Manager
Assistant Division Manager-
Contracts and Procurement
Manager of Contracts
Contract Disbursing Supervisor
Disbursing Supervisor
Division Controller
Manager of General Accounting
Accounting Disbursing Supervisor
Accounting General Supervisor
Disbursing Accountant
Any Designated Division Employee

BE IT FURTHER RESOLVED that any funds on deposit in the following division bank accounts:

Payroll Deposit Accounts
Payroll Disbursement Deposit Accounts

shall be subject to withdrawal upon checks, etc., as above-
said, signed in the name of this corporation by any one of
the following officers, agents, or employees:

BE IT FURTHER RESOLVED that any funds on deposit in the following division bank accounts:

Pay-Off Bank Deposit Accounts
United States Savings Bond Deposit Accounts
Petty Cash Accounts

shall be subject to withdrawal upon checks, etc., as above-
said, signed in the name of this corporation by any one of
the following officers, agents, or employees or by any
division employee designated in writing by any one of the
following officers, agents or employees:

BE IT FURTHER RESOLVED that the bank is hereby authorized
to honor and pay any such instrument or note any such charge
and also receive the same from the payee or any other holder
without inquiry as to the circumstances of issue or the dis-
position of the proceeds even if drawn to the individual order
of any signing person or payable to said bank or others for
his account or contained in payment of his individual obli-
gation and whether drawn against an account in the name of this
corporation or in the name of any officer, agent, or em-
ployee of this corporation as such.

BE IT FURTHER RESOLVED that the Secretary or an assist-
ant Secretary of this corporation, when acting jointly with
the Chairman of the Board or President or any Vice President,
shall be and hereby is authorized to certify to said bank
the names and positions of the officers, agents,
and employees of this corporation who now hold or may here-
after hold the office or position of:

Division Manager
Assistant Division Manager
Controller and Treasurer
Manager of Contracts
Contract Disbursement Supervisor
Marketing Supervisor
Division Controller
Manager of General Accounting
Accounting Disbursement Supervisor
Accounting General Supervisor
Marketing Assistant
Any Designated Division Employee

and the Secretary or an Assistant Secretary of this corporation shall file with said Bank a copy of these resolutions duly signed by him as Secretary or Assistant Secretary under the seal of this corporation, and said Bank, upon receipt of said list of the officers and agents or employees of this corporation and said specimen signatures certified by the Secretary or an Assistant Secretary acting jointly with the Chairman of the Board, President or Vice President of this corporation, shall be entitled to rely upon the same under the terms of these resolutions until duly notified of changes in the names of listed officers or agents and employees, or a revocation of their authority to act under the terms of these resolutions.

BE IT FURTHER RESOLVED that resolutions designating said Bank as a depository of funds of this corporation, and all amendments thereto, adopted by this Board of Directors or the Executive Committee of this Board of Directors on one or more of the following dates: May 24, 1946, March 25, 1948, January 29, 1953 and March 17, 1953, be and the same hereby are rescinded, and that the authorizations contained therein be and they hereby are cancelled and revoked; provided, however, that in order to obviate inconvenience in putting into operation the terms and conditions of the foregoing resolutions adopted at this meeting, said Bank is hereby authorized to accept and recognize the signatures and identifications of the authorized signatories against the respective bank accounts as heretofore certified and identified to said Bank (pursuant to the aforesaid resolutions adopted on one or more of the dates herein indicated) as being certifications of signatures and identifications of signatories under authority of the foregoing resolutions adopted at this meeting, but only in so far as consistent with the provisions thereof, and; provided, further, that the aforesaid resolutions adopted on one or more of the dates herein indicated shall remain in full force and effect until the date of the receipt by said Bank of the foregoing resolutions adopted at this meeting.

B RESOLVED that (Insert the name and address of the bank)
be and hereby is designated as a depository of the funds of this corporation for the following general office accounts of this corporation:

- General Accounts
- Controlled Deposit Accounts
- Payroll Deposit Accounts
- Payroll Deduction Deposit Accounts
- Pay-Off Draft Deposit Accounts
- United States Savings Bond Deposit Accounts
- Petty Cash Accounts

and the Secretary or an Assistant Secretary of this corporation shall file with said Bank a copy of these resolutions duly signed by him as Secretary or Assistant Secretary under the seal of this corporation, and said Bank, upon receipt of said list of the officers and agents or employees of this corporation and said specimen signatures certified by the Secretary or an Assistant Secretary acting jointly with the Chairman of the Board, President or Vice President of this corporation, shall be entitled to rely upon the same under the terms of these resolutions until duly notified of changes in the names of listed officers or agents and employees, or a revocation of their authority to act under the terms of these resolutions.

BE IT FURTHER RESOLVED that resolutions designating said Bank as a depository of funds of this corporation, and all amendments thereto, adopted by this Board of Directors or the Executive Committee of this Board of Directors on one or more of the following dates: May 11, 1946, March 22, 1948, January 23, 1951 and March 17, 1952, be and the same hereby are rescinded, and that the authorizations contained therein be and they hereby are cancelled and revoked; provided, however, that in order to obviate inconvenience in putting into operation the terms and conditions of the foregoing resolutions adopted at this meeting, said Bank is hereby authorized to accept and recognize the signatures and identifications of the authorized signatories against the respective bank accounts as heretofore certified and identified to said Bank (pursuant to the aforesaid resolutions adopted on one or more of the dates herein indicated) as being authentications of signatures and identifications of signatories under authority of the foregoing resolutions adopted at this meeting, but only in so far as consistent with the provisions thereof, and provided, further, that the aforesaid resolutions adopted on one or more of the dates herein indicated shall remain in full force and effect until the date of the receipt by said Bank of the foregoing resolutions adopted at this meeting.

RESOLVED that (Insert the name and address of the bank) be and hereby is designated as a depository of the funds of this corporation for the following general office accounts:

- General Accounts
- Controlled Deposit Accounts
- Payroll Deposit Accounts
- Payroll Deduction Deposit Accounts
- Pay-Off Debt Deposit Accounts
- United States Savings Bond Deposit Accounts
- Patry Cash Accounts

and that the officers, agents and employees of this corporation be and they hereby are, and each of them is, authorized to deposit any of the funds of this corporation in said Bank; provided there shall be deposited by this corporation in said Payroll Deposit Accounts, Payroll Deduction Deposit Accounts, Pay-Off Draft Deposit Accounts, and Petty Cash Accounts, only checks and other instruments for the payment of money drawn against the said General Accounts.

BE IT FURTHER RESOLVED that until further order of this Board of Directors, any funds of this corporation deposited in said Bank in said General Accounts or Controlled Deposit Accounts shall be subject to withdrawal or charge at any time and from time to time upon checks, notes, drafts, bills of exchange or other instruments or orders for the payment of money when signed, drawn, accepted or endorsed on behalf of this corporation by any two of the following officers, agents or employees of this corporation or their successors in office or position; provided, that one of the signatories is either the Chairman of the Board, the President, or any Vice President, and the other signatory is either the Controller, the Treasurer, or any Assistant Treasurer:

Chairman of the Board
President
Any Vice President
Controller
Treasurer
Any Assistant Treasurer

BE IT FURTHER RESOLVED that any funds on deposit in the following general office accounts:

Payroll Deposit Accounts
Payroll Deduction Deposit Accounts

shall be subject to withdrawal upon checks, etc., as aforesaid, signed in the name of this corporation by any one of the aforesaid officers, agents or employees.

BE IT FURTHER RESOLVED that any funds on deposit in the following general office bank accounts:

Pay-Off Draft Deposit Accounts
United States Savings Bond Deposit Accounts
Petty Cash Accounts

shall be subject to withdrawal upon checks, etc., as aforesaid, signed in the name of this corporation by any one of

and that the officers, agents and employees of this corporation shall be and they hereby are, and each of them is, authorized to deposit any of the funds of this corporation in said bank provided their shall be deposited by this corporation in said Payroll Deposit Accounts, Payroll Deduction Deposit Accounts, Pay-Off Draft Deposit Accounts, and Petty Cash Accounts, only checks and other instruments for the payment of money drawn against the said General Accounts.

BE IT FURTHER RESOLVED that until further order of this Board of Directors, any funds of this corporation deposited in said bank in said General Accounts or Contingent Deposit Accounts shall be subject to withdrawal or change at any time and from time to time upon checks, notes, drafts, bills of exchange or other instruments or orders for the payment of money when signed, drawn, accepted or endorsed on behalf of this corporation by any two of the following officers, agents or employees of this corporation or their successors in office or position provided, that one of the signatories is either the Chairman of the Board, the President, or any Vice President, and the other signatory is either the Controller, the Treasurer, or any Assistant Treasurer.

Chairman of the Board
President
Any Vice President
Controller
Treasurer
Any Assistant Treasurer

BE IT FURTHER RESOLVED that any funds on deposit in the following General Office Accounts:

Payroll Deposit Accounts
Payroll Deduction Deposit Accounts

shall be subject to withdrawal upon checks, etc., as aforesaid, signed in the name of this corporation by any one of the above said officers, agents or employees.

BE IT FURTHER RESOLVED that any funds on deposit in the following General Office Bank Accounts:

Pay-Off Draft Deposit Accounts
United States Savings Bond Deposit Accounts
Petty Cash Accounts

shall be subject to withdrawal upon checks, etc., as aforesaid, signed in the name of this corporation by any one of

the aforesaid officers, agents or employees, or by any employee designated in writing by any one of the aforesaid officers, agents or employees.

BE IT FURTHER RESOLVED that the Bank is hereby authorized to honor and pay any such instruments or make any such charge and also receive the same from the payee or any other holder without inquiry as to the circumstances of issue or the disposition of the proceeds, even if drawn to the individual order of any signing person or payable to said Bank or others for his account or tendered in payment of his individual obligation and whether drawn against an account in the name of this corporation or in the name of any officers, agents or employees of this corporation as such.

BE IT FURTHER RESOLVED that the Secretary or an Assistant Secretary of this corporation when acting jointly with the Chairman of the Board or President or any Vice President, shall be and hereby is authorized to certify to said Bank the names and specimen signatures of the officers, agents and employees of this corporation who now hold or may from time to time hereafter hold the offices or positions of:

Chairman of the Board
President
Vice President
Controller
Treasurer
Assistant Treasurer
Any Designated Employee

and the Secretary or an Assistant Secretary of this corporation shall file with said Bank a copy of these resolutions duly signed by him as Secretary or Assistant Secretary under the seal of this corporation, and said Bank, upon receipt of said list of the officers and agents or employees of this corporation and said specimen signatures certified by the Secretary or an Assistant Secretary, acting jointly with the Chairman of the Board, President or Vice President of this corporation, shall be entitled to rely upon the same under the terms of these resolutions until duly notified of changes in the names of listed officers or agents and employees, or a revocation of their authority to act under the terms of these resolutions.

BE IT FURTHER RESOLVED that resolutions designating said bank as a depository of funds of this corporation, adopted by this Board of Directors on May 24, 1946, as amended by a resolution adopted by the Executive Committee

the aforesaid officers, agents or employees, or by any employee designated in writing by any one of the aforesaid officers, agents or employees.

BE IT FURTHER RESOLVED that the Bank is hereby authorized to honor and pay any such instrument or note any such charge and also receive the same from the payee or any other holder without inquiry as to the circumstances of issue or the disposition of the proceeds, even if drawn to the individual order of any signing person or payable to said bank or others for his account or endorsed in payment of his individual obligation and whether drawn against an account in the name of this corporation or in the name of any officers, agents or employees of this corporation as such.

BE IT FURTHER RESOLVED that the Secretary or an Assistant Secretary of this corporation when acting jointly with the Chairman of the Board or President or any Vice President, shall be and hereby is authorized to certify to said bank the names and addresses of the officers, agents and employees of this corporation who now hold or may hereafter hold the office or position of:

- Chairman of the Board
- President
- Vice President
- Controller
- Treasurer
- Assistant Treasurer
- Any Designated Employee

and the Secretary or an Assistant Secretary of this corporation shall file with said bank a copy of these resolutions duly signed by him as Secretary or Assistant Secretary under the seal of this corporation, and said bank, upon receipt of said list of the officers and agents or employees of this corporation and said specimen signatures certified by the Secretary or an Assistant Secretary, acting jointly with the Chairman of the Board, President or Vice President of this corporation, shall be entitled to rely upon the same under the terms of these resolutions until duly notified of changes in the names of listed officers or agents and employees, or a revocation of their authority to act under the terms of these resolutions.

BE IT FURTHER RESOLVED that resolutions designating said bank as a depository of funds of this corporation, adopted by this Board of Directors on May 21, 1944, as amended by a resolution adopted by the Executive Committee

of this Board of Directors, on March 25, 1948, be and the same hereby are rescinded, and that the authorizations contained therein be and they hereby are cancelled and revoked; provided, however, that in order to obviate inconvenience in putting into operation the terms and conditions of the foregoing resolutions adopted at this meeting, said Bank is hereby authorized to accept and recognize the signatures and identifications of the authorized signatories against the respective bank accounts as heretofore certified and identified to said Bank (pursuant to the aforesaid resolutions adopted on May 24, 1946, as amended) as being certifications of signatures and identifications of signatories under authority of the foregoing resolutions adopted at this meeting, but only in so far as consistent with the provisions thereof; and provided, further, that the aforesaid resolutions adopted on May 24, 1946, as amended, shall remain in full force and effect until the date of the receipt by said Bank of the foregoing resolutions adopted at this meeting.

6. General McNarney then suggested that the Board ratify the appointment of Charles F. Horne as Division Manager of the Pomona Division, effective July 15, 1953, and the execution of his employment contract in the form previously approved by the Board, for the period of one year at the annual salary rate of \$25,000. After discussion and upon a motion duly made, seconded and unanimously carried, the appointment of Charles F. Horne as Division Manager of the Pomona Division of the company, effective July 15, 1953, and the execution of his employment contract in the form previously approved by the Board, for the period of one year beginning July 15, 1953, at the annual salary rate of \$25,000, was ratified.

7. The Administration and Organization Committee composed of Joseph T. McNarney (Chairman) Frank Pace, Jr. and Henry M. Marx, submitted a report as to insurance brokers and presented to the Board letters dated June 8, 1953 and June 30, 1953 from Flynn,

of this Board of Directors, on March 25, 1946, and the same hereby are rescinded, and that the authorizations contained therein be and they hereby are amended and revised, provided, however, that in order to obtain an agreement in putting into operation the terms and conditions of the foregoing resolutions adopted at this meeting, said Bank is hereby authorized to accept and recognize the signatures and identifications of the authorized signatories against the respective bank accounts as heretofore certified and identified to said Bank (pursuant to the aforesaid resolutions adopted on May 26, 1946, as amended) as being authentications of signatures and identifications of signatories under authority of the foregoing resolutions adopted at this meeting, but only in so far as consistent with the provisions thereof; and provided, further, that the aforesaid resolutions adopted on May 26, 1946, as amended, shall remain in full force and effect until the date of the meeting by said Bank of the foregoing resolutions adopted at this meeting.

6. General McManis then suggested that the Board

ratify the appointment of Charles F. Morris as Division Manager of the Person Division, effective July 15, 1943, and the execution of his employment contract in the form previously approved by the Board, for the period of one year at the annual salary rate of \$25,000. After discussion and upon a motion duly made, seconded and unanimously carried, the appointment of Charles F. Morris as Division Manager of the Person Division of the company, effective July 15, 1943, and the execution of his employment contract in the form previously approved by the Board, for the period of one year beginning July 15, 1943, at the annual salary rate of \$25,000, was ratified.

7. The Administration and Organization Committee composed

of Joseph F. McManis (Chairman), Frank Pace, Jr., and Henry K. Marx, submitted a report as to Insurance Policies and presented to the Board letters dated June 6, 1943 and June 30, 1943 from Ryan,

7/24/53

Harrison and Conroy, 99 John Street, New York 38, New York, to the general effect that representatives of that firm had made a survey of the insurance expense of the company and have made a representation that if it were employed as insurance brokers for the company, a savings in excess of \$25,000 per year could be effected. It was the recommendation of the committee that the firm of Flynn, Harrison and Conroy be appointed insurance brokers of the company, with the exception of fire and extended coverage which has been handled for some time by another concern. After discussion and upon a motion duly made, seconded and unanimously carried, the report and recommendation of the Administration and Organization Committee were referred to the officers of the company with authority to act, subject to the approval of the Chairman.

8. The Salary Committee composed of G. W. Codrington (Chairman) Donald N. McDonnell and C. M. Miller, submitted a recommendation that consultant arrangements with former officers of the company who are Board members, terminate at the conclusion of the current fiscal year. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that consultant arrangements with former officers of the company who are Board members, shall terminate at the conclusion of the current fiscal year.

9. The Auditing Committee composed of C. M. Miller (Chairman), L. J. Gross and LaMotte T. Cohu, submitted a recommendation that Arthur Young and Company be appointed as independent

1/24/23

Hartson and Conroy, 22 John Street, New York 33, New York, to the general effect that representatives of that firm had made a survey of the insurance expense of the company and have made a representation that if it were engaged as insurance brokers for the company, a savings in excess of \$25,000 per year could be effected. It was the recommendation of the committee that the firm of Hagan, Hartson and Conroy be appointed insurance brokers of the company, with the exception of fire and extended coverage which has been handled for some time by another concern. After discussion and upon a motion duly made, seconded and unanimously carried, the report and recommendation of the identification and Organization Committee were referred to the officers of the company with authority to act, subject to the approval of the chairman.

6. The Salary Committee composed of G. W. Goddington (Chairman), Donald H. McDermott and C. H. Miller, submitted a recommendation that consultant arrangements with former officers of the company who are Board members, terminate at the conclusion of the current fiscal year. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that consultant arrangements with former officers of the company who are Board members, shall terminate at the conclusion of the current fiscal year.

7. The Auditing Committee composed of C. H. Miller (Chairman), J. J. Gross and Robert T. Ochs, submitted a recommendation that Arthur Young and Company be appointed as independent

auditors of the company for the current fiscal year and that Arthur Andersen & Co. be appointed as independent auditors of the company for the fiscal year 1954. After discussion and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that Arthur Young and Company be and that firm hereby is appointed as independent auditors of the company for the fiscal year to end November 30, 1953; and be it further

RESOLVED that Arthur Andersen & Co. be and that firm hereby is appointed as independent auditors of the company for the fiscal year to end November 30, 1954.

10. There was then presented a request for a capital expenditure appropriation of \$50,000 for the remodeling and rehabilitation of the property of the company located at Kurtz and Greenwood Streets, San Diego. After consideration and upon a motion duly made, seconded and unanimously carried, an appropriation of \$50,000 was authorized for a capital expenditure of \$50,000 for the remodeling and rehabilitation of the property of the company located at Kurtz and Greenwood Streets, San Diego.

11. General McNarney next reported that an offer had been received for the purchase of the Model 240 airplane presently under lease to Hughes Aircraft Company, Division Hughes Tool Company. After discussion and upon a motion duly made, seconded and unanimously carried, the officers of the company were authorized to sell the Model 240 airplane presently under lease to Hughes Aircraft Company, Division Hughes Tool Company, on such terms and conditions as the Chairman may approve.

auditors of the company for the current fiscal year and that Arthur Andersen & Co. be appointed as independent auditors of the company for the fiscal year 1953. After discussion and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that Arthur Young and Company be and that this body is appointed as independent auditors of the company for the fiscal year 1953 and November 30, 1953; and be it further

RESOLVED that Arthur Andersen & Co. be and that this body is appointed as independent auditors of the company for the fiscal year 1954 and November 30, 1954.

10. There was then presented a request for a capital expenditure appropriation of \$50,000 for the remodeling and rehabilitation of the property of the company located at Kuts and Greenwood Streets, San Diego. After consideration and upon a motion duly made, seconded and unanimously carried, an appropriation of \$50,000 was authorized for a capital expenditure of \$50,000 for the remodeling and rehabilitation of the property of the company located at Kuts and Greenwood Streets, San Diego.

11. General McKinstry next reported that an offer had been received for the purchase of the Hotel Elgin airplane presently under lease to Hughes Aircraft Company, Division Hughes Tool Company. After discussion and upon a motion duly made, seconded and unanimously carried, the officers of the company were authorized to sell the Hotel Elgin airplane presently under lease to Hughes Aircraft Company, Division Hughes Tool Company, on such terms and conditions as the Chairman may approve.

12. General McNarney then presented a forecast of profits on the Model 340 program.

13. It was next suggested that a report including the unaudited balance sheet of the company as of May 31, 1953, and the unaudited statements of income and surplus of the company for the six months ended May 31, 1953, be issued and distributed to stockholders of the company. Upon a motion duly made, seconded and unanimously carried, the officers of the company were instructed and authorized to have prepared and distributed to the stockholders of the company a report for the six months ended May 31, 1953, to include the unaudited balance sheet of the company as of May 31, 1953, and the unaudited statements of income and surplus of the company for the six months ended May 31, 1953.

14. The financial statements as of June 30, 1953 were then received, discussed and filed.

15. It was next stated that the Defense Department had requested an amendment to the security resolution adopted at the meeting of the Board of Directors held on June 15, 1953, to provide that any officer or individual of the company who is not a citizen of the United States will be denied access to all classified United States security information. After discussion and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the security resolution adopted by the Board of Directors at a meeting held on June 15, 1953, be amended by adding thereto the following resolved clause:

1/24/53

12. General Kohnen then presented a forecast of

profits on the Model 350 program.

13. It was next suggested that a report including

the unaudited balance sheet of the company as of May 31, 1953,

and the unaudited statements of income and surplus of the company

for the six months ended May 31, 1953, be issued and distributed

to stockholders of the company. Upon a motion duly made, seconded

and unanimously carried, the officers of the company were in-

structed and authorized to have prepared and distributed to the

stockholders of the company a report for the six months ended

May 31, 1953, to include the unaudited balance sheet of the

company as of May 31, 1953, and the unaudited statements of

income and surplus of the company for the six months ended

May 31, 1953.

14. The financial statements as of June 30, 1953 were

then received, discussed and filed.

15. It was next stated that the Defense Department had

requested an amendment to the security resolution adopted at the

meeting of the Board of Directors held on June 12, 1953, to provide

that any officer or individual of the company who is not a citizen

of the United States will be denied access to all classified United

States security information. After discussion and upon a motion

duly made, seconded and unanimously carried, the following resolution

was adopted:

RESOLVED that the security resolution adopted by
the Board of Directors at a meeting held on June 12, 1953,
be amended by adding thereto the following resolved clause:

RESOLVED that any individual serving as an officer or official of this company who is not a citizen of the United States will be denied access to all classified United States security information.

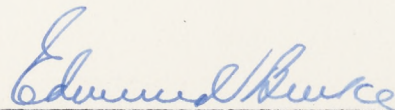
At this point R. H. Biron, T. G. Lanphier, Jr., L. W. Miller, R. C. Sebold, Vice Presidents, G. T. Bovee, Treasurer, A. W. Abels, Assistant to Director of Contracts, B. F. Coggan, Division Manager, and E. C. Keefer of the photographic laboratory, entered the room.

16. General McNarney then reported on the progress of the company. During the course of the report Mr. Coggan presented slides and motion pictures relating to projects at the San Diego Division. Subject to existing security regulations, the report of the President was ordered filed with the records of the meeting.

17. The Chairman stated that the next regular meeting of the Board is scheduled to be held on August 21, 1953, but inasmuch as that is not a convenient date for some of the Board members, he suggested that consideration be given to the selection of a more convenient date for holding the next meeting, which would be a special (in lieu of regular) meeting. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that instead of holding the next regular meeting of the Board of Directors of this company on August 21, 1953, a special (in lieu of regular) meeting of the Board shall be held on Monday, August 24, 1953, in New York, New York.

18. There being no further business to come before the meeting, it was thereupon adjourned.


Edmund Burke, Secretary

1/25/53

RESOLVED that any individual serving as an officer or official of this company who is not a citizen of the United States will be denied access to all classified United States security information.

At this point E. E. Brown, T. G. Langhale, Jr.,

I. W. Miller, E. C. Schold, Vice Presidents, G. F. Brown, Treasurer,

A. M. Abela, Assistant to Director of Contracts, E. F. Cogan,

Division Manager, and E. C. Keeler of the Photographic Laboratory,

entered the room.

16. General Hollenbeck then reported on the progress of

the company. During the course of the report Mr. Cogan presented

slides and motion pictures relating to projects at the San Diego

Division. Subject to existing security regulations, the report of

the President was ordered filed with the records of the meeting.

17. The Chairman stated that the next regular meeting

of the Board is scheduled to be held on August 21, 1953, but inasmuch

as that is not a convenient date for some of the Board members, he

suggested that consideration be given to the selection of a more

convenient date for holding the next meeting, which would be a

special (in lieu of regular) meeting. After consideration and

upon a motion duly made, seconded and unanimously carried, the

following resolution was adopted:

RESOLVED that instead of holding the next regular meeting of the Board of Directors of this company on August 21, 1953, a special (in lieu of regular) meeting of the Board shall be held on Monday, August 25, 1953, in New York, New York.

18. There being no further business to come before the

meeting, it was thereupon adjourned.


Edward Brown, Secretary

August 6, 1953

To:	Ellsworth C. Alvord	Clifton M. Miller
	George W. Codrington	J. V. Naish
	LaMotte T. Cohu	J. Geoffrey Notman
	John D. Hertz (Cary, Illinois	Lawrence B. Richardson
	and Paris, Kentucky)	O. P. Robinson, Jr.
	S. R. Inch	W. C. Rockefeller
	I. M. Laddon	Robert B. Watts
	Joseph T. McNarney	

Mr. Hopkins has instructed me to notify you that a special (in lieu of regular) meeting of the Board of Directors of this company will be held at 11 a.m. Eastern Daylight Saving Time on Monday, August 24, 1953, on the 21st floor at 445 Park Avenue, New York, New York, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting. We also need to know whether any ladies will be in the party.

Mr. Hopkins will be the host at a dinner for Board members and guests on Monday evening, August 24, at the Brussels Restaurant, New York City.

Unless you indicate otherwise, we will have an air conditioned room reserved for you at the Biltmore Hotel, Madison Avenue at 43rd Street, New York City, for your arrival on the afternoon of August 23, 1953.

Sincerely

Edmund Burke, Secretary

August 6, 1953

William W. Miller
J. V. Walsh
J. Geoffrey Roberts
Lawrence S. Richardson
O. P. Robinson, Jr.
W. C. Rockwell
Robert B. White

For: Elizabeth C. Alvord
George W. Cunningham
Lester T. Goss
John D. Harris (Gary, Illinois)
and Paris, Kentucky
E. B. Lusk
I. W. Lusk
Joseph T. McManey

Mr. Higgins has instructed me to notify you that a meeting (in lieu of regular) meeting of the Board of Directors of this company will be held at 11 a.m. Eastern daylight saving time on Monday, August 25, 1953, on the 25th floor at the Park Avenue, New York, New York, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting. We also need to know whether any ladies will be in the party.

Mr. Higgins will be the host at a dinner for Board members and guests on Monday evening, August 25, at the Brussels Restaurant, New York City.

When you indicate otherwise, we will have an air conditioned room reserved for you at the Belmont Hotel, Madison Avenue at 42nd Street, New York City, for your arrival on the afternoon of August 25, 1953.

Sincerely,

Edward Burke, Secretary

August 6, 1953

To: Lambert J. Gross
Roger I. Harris
Henry M. Marx

Donald N. McDonnell
Frank Pace, Jr.
R. C. Patterson, Jr.

Mr. Hopkins has instructed me to notify you that a special (in lieu of regular) meeting of the Board of Directors of this company will be held at 11 a.m. Eastern Daylight Saving Time on Monday, August 24, 1953, on the 21st floor at 445 Park Avenue, New York, New York, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting. We also need to know whether any ladies will be in the party.

Mr. Hopkins will be the host at a dinner for Board members and guests on Monday evening, August 24, at the Brussels Restaurant, New York City.

Sincerely

Edmund Burke, Secretary

August 6, 1953

Donald E. McManis
Frank Ross, Jr.
R. C. Patterson, Jr.

For: Lambert J. Gross
Roger J. Harris
Henry M. Marx

Mr. Hopkins has instructed me to notify you
that a special (in lieu of regular) meeting of the Board
of Directors of this company will be held at 11 a.m.
Eastern Daylight Saving Time on Monday, August 11, 1953,
on the 21st floor of 405 Park Avenue, New York, New York,
for the transaction of any business that may properly
come before the meeting.

Please use the accompanying copy of this
letter to tell us whether you will attend the meeting.
We also need to know whether any ladies will be in the
party.

Mr. Hopkins will be the host at a dinner for
Board members and guests on Monday evening, August 11,
at the Brussels Restaurant, New York City.

Sincerely

Donald E. McManis, Secretary

MINUTES OF THE SPECIAL (IN LIEU OF REGULAR)
MEETING OF THE BOARD OF DIRECTORS OF
CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD MONDAY, AUGUST 24, 1953

A special (in lieu of regular) meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation, was held on the 21st floor at 445 Park Avenue, New York, New York, on Monday, August 24, 1953, at 11 a.m. Eastern Daylight Saving Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

John Jay Hopkins	Joseph T. McNarney
Ellsworth C. Alvord	Clifton M. Miller
George W. Codrington	J. V. Naish
LaMotte T. Cohu	J. Geoffrey Notman
Lambert J. Gross	Frank Pace, Jr.
Roger I. Harris	R. C. Patterson, Jr.
S. R. Inch	Lawrence B. Richardson
I. M. Laddon	O. P. Robinson, Jr.
Henry M. Marx	

The following directors were absent:

John D. Hertz
Donald N. McDonnell
W. C. Rockefeller

Robert B. Watts, Vice President and General Counsel, and D. T. Fisher, Controller; also Kenneth Stiles, Assistant to Executive Vice President, General Dynamics Corporation, were present by invitation.

John Jay Hopkins, Chairman, presided at the meeting and Edmund Burke, Secretary, recorded the minutes.

MINUTES OF THE SPECIAL (IN LIEU OF REGULAR)
MEETING OF THE BOARD OF DIRECTORS OF
CONSOLIDATED FUTURE AIRCRAFT CORPORATION
HELD MONDAY, AUGUST 24, 1923

A special (in lieu of regular) meeting of the Board of Directors of Consolidated Future Aircraft Corporation, was held on the 24th floor at 415 Park Avenue, New York, New York, on Monday, August 24, 1923, at 11 a.m. Eastern Daylight Saving Time, pursuant to notice given to all the directors in accordance with the requirements of the bylaws.

The following directors were present at the meeting:

and constituted a quorum for the transaction of business:

Joseph T. Kohn	John Jay Hopkins
Clifford H. Miller	Edward G. Alford
J. V. Walsh	George W. Corbington
J. Geoffrey Watson	Leah T. John
Frank Pace, Jr.	Isaac J. Green
H. C. Patterson, Jr.	Roger I. Harris
Lawrence B. Richardson	E. S. Inch
C. F. Robinson, Jr.	I. H. Ladd
	Henry W. Marx

The following directors were absent:

John D. Byrne
Donald W. McDaniel
W. C. Rockwell

Robert B. Weiss, Vice President and General Counsel, and
B. T. Fisher, Controller; also Kenneth Miller, Assistant to Executive
Vice President, General Dynamics Corporation, were present by
invitation.

John Jay Hopkins, Chairman, presided at the meeting and

Edward Burke, Secretary, recorded the minutes.

1. The Secretary presented the minutes of the regular meeting of the Board of Directors held on July 24, 1953. After due consideration the minutes of this meeting were approved as recorded.

2. The resignation of L. W. Miller as Vice President, to become effective November 30, 1953, was then presented. Upon a motion duly made, seconded and unanimously carried, the resignation of L. W. Miller as Vice President, to become effective November 30, 1953, was accepted with regret.

3. The resignation of W. C. Rockefeller as a director of the company was next presented. Upon a motion duly made, seconded and unanimously carried, the resignation of W. C. Rockefeller as a director of the company was accepted, effective as of this date, with expressions of regret. Following this action, the Chairman announced that Mr. Rockefeller had also resigned his appointive office as Executive Assistant to the Chairman of the Board, effective November 15, 1953.

4. At the request of the Chairman, J. G. Zevely then entered the room and made a detailed report on the activity currently being applied in the sale of Model 340 airplanes and the prospective available business in the several versions of this model of airplane. There followed an extended discussion of the Model 340 airplane program, including consideration of further sales potentials, break-even points, costs of production interruption and related factors. It was pointed out that no proposal is currently being made to extend the existing production program but that in order to permit a later consideration of any extension of the program

1. The Secretary presented the minutes of the regular meeting of the Board of Directors held on July 26, 1952. After the presentation the minutes of this meeting were approved as recorded.

2. The resignation of J. W. Miller as Vice President, to become effective November 30, 1952, was then presented. Upon a motion duly made, seconded and unanimously carried, the resignation of J. W. Miller as Vice President, to become effective November 30, 1952, was accepted with regret.

3. The resignation of W. G. Hochstetler as a director of the company was next presented. Upon a motion duly made, seconded and unanimously carried, the resignation of W. G. Hochstetler as a director of the company was accepted, effective as of this date, with expressions of regret. Following this action, the Chairman announced that Mr. Hochstetler had also resigned his representative office as Executive Assistant to the Chairman of the Board, effective November 15, 1952.

4. At the request of the Chairman, J. G. Severy then entered the room and made a detailed report on the activity currently being applied in the sale of Model 350 airplanes and the prospective available business in the several versions of this model of airplane. There followed an extended discussion of the Model 350 airplane program, including consideration of further sales potential, price-cost points, costs of production interruption and related factors. It was pointed out that no proposal is currently being made to extend the existing production program but that in order to permit a later consideration of any extension of the program

8/24/53

without suffering high costs of production interruption it would be necessary currently to place orders for certain long lead time items. It was further stated that the estimated cost of cancellation of such current forward purchases, in the event that the production program is not later extended, would approximate \$600,000 as against substantial profits if an extended production and sales program were successfully completed. It was made clear that detailed further consideration of any extension of the present production program would be made at succeeding meetings before any conclusion was reached thereon. Upon a motion then duly made, seconded and unanimously carried, the officers of the company were authorized to make commitments in the aggregate amount of \$6,120,000 as required for the purchase of certain long lead time items which would be needed in the production of Model 340 airplanes, to be committed as necessitated by the respective lead time for such items, with a provision that this authorization does not involve any production commitment and is subject to review at succeeding meetings of the Board of Directors.

At this point, Mr. Zevely retired from the room.

5. General McNarney next asked that consideration be given to the establishment of a policy in respect to the granting of vacation with pay to salaried employees of the company who have been employed by the company for 10 or more years. To bring the company in line with the average practice now in operation at other western aircraft plants, it was pointed out that for employees having from 10 to 12 years service an annual three week vacation with

without suffering high costs of production interruption it would be necessary currently to place orders for certain long lead time items. It was further stated that the estimated cost of cancellation of such current forward purchases, in the event that the production program is not later extended, would approximate \$600,000 as against substantial profits if an extended production and sales program were successfully completed. It was made clear that detailed further consideration of any extension of the present production program would be made at succeeding meetings before any conclusion was reached thereon. Upon a motion then duly made, seconded and unanimously carried, the officers of the company were authorized to make commitments in the aggregate amount of \$6,120,000 as required for the purchase of certain long lead time items which would be needed in the production of Model 350 airplanes, to be committed as necessitated by the respective lead time for such items, with a provision that this authorization does not involve any production commitment and is subject to review at succeeding meetings of the Board of Directors.

At this point, Mr. Zevy retired from the room.

2. General Hawkey next asked that consideration be given to the establishment of a policy in respect to the granting of vacation with pay to salaried employees of the company who have been employed by the company for 10 or more years. In doing the company in line with the average practice now in operation at other western aircraft plants, it was pointed out that for employees having from 10 to 12 years service an annual three week vacation with

8/24/53

pay was indicated. Authority to the officers to grant such annual three week paid vacations to employees of not less than 10 years company service was requested. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the officers of the company be and they hereby are authorized to establish at a time when in their judgment it is considered appropriate, the practice of granting an annual three weeks' vacation with pay to salaried employees of the company who have been employed by the company not less than 10 years.

6. Upon a motion then duly made, seconded and unanimously carried, a contribution of \$25,000 to the San Diego Hospital Association Building Fund, to be paid in the current fiscal year, was approved.

7. The financial statements as of July 31, 1953 were next received, commented on by the Chairman, discussed and filed.

8. There was then presented a proof of the Chairman's letter as contained in the report to share owners of the company for the six months' period ended May 31, 1953. After discussion and upon a motion duly made, seconded and unanimously carried, the proof as submitted at this meeting of the Chairman's letter to be contained in the report to share owners of the company for the six months' period ended May 31, 1953, was approved, subject to such changes as might be required by counsel.

W.S.V.

pay was indicated. Authority to the officers to grant such annual three week paid vacations to employees of not less than 10 years company service was requested. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the officers of the company be and they hereby are authorized to establish as a rule when in their judgment it is considered appropriate, the privilege of granting an annual three weeks' vacation with pay to selected employees of the company who have been employed by the company not less than 10 years.

6. Upon a motion duly made, seconded and unanimously carried, a contribution of \$25,000 to the San Diego Hospital Association Building Fund, to be paid in the current fiscal year, was approved.

7. The financial statements as of July 31, 1923 were next received, commented on by the Chairman, discussed and filed.

8. There was then presented a proof of the Chairman's letter as contained in the report to share owners of the company for the six months' period ended May 31, 1923. After discussion and upon a motion duly made, seconded and unanimously carried, the proof as submitted at this meeting of the Chairman's letter to be contained in the report to share owners of the company for the six months' period ended May 31, 1923, was approved, subject to such changes as might be suggested by counsel.

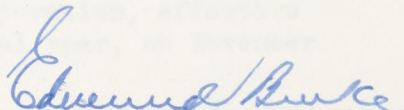
8/24/53

At this point, J. Geoffrey Notman retired from the room.

9. At the request of the Chairman, General McNarney next reported on the progress of the company. Subject to existing security regulations, General McNarney's report was ordered filed with the records of the meeting.

10. The Chairman then announced that the next regular meeting of the Board of Directors will be held at the offices of the company in San Diego at 10 a.m. on Friday, September 18, 1953.

11. There being no further business to come before the meeting, it was thereupon adjourned.



Edmund Burke, Secretary

8/25/53

At this point, J. Geoffrey Johnson retired from the

room.

9. At the request of the Chairman, General McNamara next reported on the progress of the company. Subject to existing security regulations, General McNamara's report was ordered filed with the records of the meeting.

10. The Chairman then announced that the next regular meeting of the Board of Directors will be held at the office of the company in San Diego at 10 a.m. on Friday, September 16, 1953. There being no further business to come before the

meeting, it was thereupon adjourned.

[Signature]
 Manual Burke, Secretary

CONVAIR

Consolidated Vultee Aircraft Corporation - San Diego 12 California



July 27, 1953

August 10, 1953

General Joseph McNarney,
President,
Consolidated Vultee Aircraft Corporation
San Diego, California

Dear General McNarney:

I herewith resign as Vice President of
Consolidated Vultee Aircraft Corporation, effective
at the close of the current fiscal year, on November
30, 1953.

The first of my consultant agreements with
the company will therefore begin on December 1, 1953.

Yours very truly,

Lawrence



CONVAIR

Consolidated White Aircraft Corporation, San Diego, California

July 27, 1953

General Joseph McNamara,

President,

Consolidated White Aircraft Corporation,

San Diego, California

Dear General McNamara:

I herewith resign as Vice President of Consolidated White Aircraft Corporation, effective at the close of the current fiscal year, on November 30, 1953.

The first of my consultant agreements with the company will therefore begin on December 1, 1953.

Yours very truly,

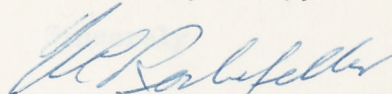
August 10, 1953

Chairman of the Board
Consolidated Vultee Aircraft Corporation
San Diego 12, California

Dear Sir:

I hereby submit my resignation as a
Director of Consolidated Vultee Aircraft Corporation,
such resignation to take effect at the pleasure of
the Board.

Yours very truly,



W. C. Rockefeller

August 10, 1933

Chairman of the Board
Consolidated Natural Gas System Corporation
San Diego 12, California

Dear Sir:

I hereby submit my resignation as a
Director of Consolidated Natural Gas System Corporation,
such resignation to take effect at the pleasure of
the Board.

Yours very truly,


W. E. Heston

September 3, 1953

To: Joseph T. McNarney
J. V. Naish
LaMotte T. Cohu
S. R. Inch

I. M. Laddon
D. T. Fisher
Robert B. Watts

Pursuant to the provisions of the Bylaws, a regular meeting of the Board of Directors of this company will be held at 10:00 a.m. Pacific Daylight Saving Time on Friday, September 18, 1953, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Sincerely

Edmund Burke, Secretary

September 3, 1933

I. W. Ladd
E. T. Fisher
Robert E. White

For Joseph T. Hollister
J. V. Walsh
Lambert T. Cobb
E. E. Frost

Pursuant to the provisions of the Bylaws,
a regular meeting of the Board of Directors of this
company will be held at 10:00 a.m., Pacific Daylight
Savings Time on Friday, September 15, 1933, at the
office of the company in San Diego, for the transaction
of any business that may properly come before the
meeting.

Please use the accompanying copy of this
notice to tell us whether you will attend the meeting.

Sincerely

Edward Burke, Secretary

September 3, 1953

To: Ellsworth C. Alvord
George W. Codrington
Lambert J. Gross
Roger I. Harris
John D. Hertz (Cary, Illinois
and Canoga Park, California)
Henry M. Marx

Donald N. McDonnell
Clifton M. Miller
J. Geoffrey Notman
Frank Pace, Jr.
R. C. Patterson, Jr.
Lawrence B. Richardson
O. P. Robinson, Jr.

Pursuant to the provisions of the Bylaws, a regular meeting of the Board of Directors of this company will be held at 10:00 a.m. Pacific Daylight Saving Time on Friday, September 18, 1953, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

A room will be reserved for you at the La Jollan Hotel for occupancy on September 17, 1953. If you plan on attending the meeting please indicate whether the room will be required.

Sincerely

Edmund Burke, Secretary

September 3, 1953

Donald H. Wobensell
Clifton H. Miller
J. Geoffrey Notman
Frank Pace, Jr.
R. C. Patterson, Jr.
Lawrence S. Richardson
C. F. Robinson, Jr.

For: Elsworth C. Alvord
George W. Collings
Lawrence J. Jones
Robert L. Martin
John B. Marks (Gov., Illinois)
and George Park, California
Henry W. Marx

Pursuant to the provisions of the Bylaws, a
regular meeting of the Board of Directors of this company
will be held at 10:00 a.m. Pacific Daylight Saving Time on
Friday, September 18, 1953, at the office of the company
in San Diego, for the transaction of any business that may
properly come before the meeting.

Please use the accompanying copy of this letter
to tell us whether you will attend the meeting.

A room will be reserved for you at the La Jolla
Hotel for company on September 17, 1953. If you plan on
attending the meeting please indicate whether the room
will be required.

Sincerely,

Edmund Burke, Secretary

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD FRIDAY, SEPTEMBER 18, 1953

A regular meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at the general offices of the company in San Diego, California, on Friday, September 18, 1953, at 10:00 a.m. Pacific Daylight Saving Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

Frank Pace, Jr.	Donald N. McDonnell
Ellsworth C. Alvord	Joseph T. McNarney
LaMotte T. Cohu	Clifton M. Miller
Lambert J. Gross	J. V. Naish
Roger I. Harris	J. Geoffrey Notman
S. R. Inch	R. C. Patterson, Jr.
I. M. Laddon	O. P. Robinson, Jr.
Henry M. Marx	

The following directors were absent:

John Jay Hopkins
George W. Codrington
John D. Hertz
Lawrence B. Richardson

Robert B. Watts, Vice President and General Counsel, and D. T. Fisher, Controller of the company, were present by invitation.

In the absence of the Chairman, Frank Pace, Jr., Vice Chairman of the Board, presided at the meeting and Edmund Burke, Secretary, recorded the minutes.

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
CONSOLIDATED WILCOX AIRCRAFT CORPORATION
HELD FRIDAY, SEPTEMBER 18, 1923

A regular meeting of the Board of Directors of Consolidated Wilcox Aircraft Corporation was held at the general offices of the company in San Diego, California, on Friday, September 18, 1923, at 10:00 a.m. Pacific Daylight Saving Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws. The following directors were present at the meeting and constituted a quorum for the transaction of business:

Donald H. McDonnell	Frank Pace, Jr.
Joseph T. McHenry	Elsworth C. Alvord
Gifford H. Miller	Laurette T. John
L. V. Nelson	Lambert J. Gross
L. Geoffrey Nelson	Roger I. Harris
R. C. Patterson, Jr.	S. R. Jacob
C. F. Robinson, Jr.	I. M. Laidson
	Henry M. Marx

The following directors were absent:

John Jay Hopkins
George W. Cockington
John D. Harris
Lawrence B. Richardson

Robert E. Watts, Vice President and General Counsel, and B. T. Fisher, Controller of the company, were present by invitation. In the absence of the Chairman, Frank Pace, Jr., Vice Chairman of the Board, presided at the meeting and Edmund Burke, Secretary, recorded the minutes.

1. The Secretary presented the minutes of the meeting of the Board of Directors held on August 24, 1953. After due consideration the minutes of this meeting were approved as recorded.

2. It was then suggested that the resolutions which designated Manufacturers Trust Company of New York City, as a custodian of securities belonging to the company, be rescinded because there no longer existed any occasion for the use of this custodian account. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that the resolutions adopted by the Board of Directors of this company at a meeting held on May 22, 1951, as amended by a resolution adopted by the Board of Directors of this company at a meeting held on August 27, 1952, which designated Manufacturers Trust Company, New York, New York, a custodian of securities and other property belonging to the company, be and they hereby are rescinded; and be it further

RESOLVED that all authorizations contained in said resolutions adopted on May 22, 1951, as amended by a resolution adopted on August 27, 1952, be and the same hereby are cancelled and revoked.

3. The financial statements as of August 31, 1953 were next received, commented on by the Vice Chairman, discussed and filed.

4. At the request of the Vice Chairman, J. G. Zevely then entered the room and there followed a review of the Model 340 program, including a discussion of factors relating to the delivery of the last three Model 340 airplanes purchased by Braniff Airways, Incorporated.

At this point Mr. Zevely retired from the room.

1. The Secretary presented the minutes of the meeting of the Board of Directors held on August 21, 1952. After the consideration the minutes of this meeting were approved as recorded. It was then suggested that the resolutions which designated Manufacturers Trust Company of New York City, as a custodian of securities belonging to the company, be rescinded because there no longer existed any occasion for the use of this custodian account. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that the resolutions adopted by the Board of Directors of this company at a meeting held on May 22, 1951, as amended by a resolution adopted by the Board of Directors of this company at a meeting held on August 27, 1952, which designated Manufacturers Trust Company, New York, New York, as custodian of securities and other property belonging to the company, be and they hereby are rescinded; and be it further RESOLVED that all authorizations contained in said resolutions adopted on May 22, 1951, as amended by a resolution adopted on August 27, 1952, be and the same hereby are cancelled and revoked.

2. The financial statements as of August 31, 1952 were next received, commented on by the Vice Chairman, discussed and

3. At the request of the Vice Chairman, J. G. Zevy then entered the room and there followed a review of the Model 300 program, including a discussion of factors relating to the delivery of the first three Model 300 airplanes purchased by Bristol Airways. Incorporated. At this point Mr. Zevy retired from the room.

5. General McNarney next presented a request for a contribution in the amount of \$50,000 to the San Diego 1954 Community Chest. It was stated that the aggregate amount contributed to the San Diego 1953 Community Chest by all contributors did not fully meet the requirements and the resulting deficit in funds necessitated an increase in 1954 contributions.

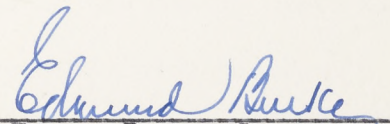
After consideration and upon a motion duly made, seconded and unanimously carried, a contribution of \$50,000 to the San Diego 1954 Community Chest was authorized, with discretion in the President as to whether any portion of this contribution be earmarked as applicable to the deficit from 1953.

At this point Mr. Notman retired from the room.

6. At the request of the Vice Chairman, General McNarney then made a detailed report on the progress of the company. Subject to existing security regulations, General McNarney's report was ordered filed with the records of the meeting.

7. The Vice Chairman announced that the next regular meeting of the Board of Directors will be held at the offices of the company in Fort Worth, Texas, at 10:00 a.m. on Friday, October 23, 1953.

8. There being no further business to come before the meeting, it was thereupon adjourned.



Edmund Burke, Secretary

2. General Halsey next presented a request for a contribution in the amount of \$20,000 to the San Diego 1954 Community Chest. It was stated that the aggregate amount contributed to the San Diego 1954 Community Chest by all contributors did not fully meet the requirements and the resulting deficit in funds necessitated an increase in 1954 contributions.

After consideration and upon a motion duly made, accounted and unanimously carried, a contribution of \$20,000 to the San Diego 1954 Community Chest was authorized, with discretion in the President as to whether any portion of this contribution be requested as applicable to the deficit from 1953.

At this point Mr. Nelson retired from the room.

3. At the request of the Vice Chairman, General Halsey then made a detailed report on the progress of the company, subject to existing security regulations, General Halsey's report was entered filed with the records of the meeting.

4. The Vice Chairman announced that the next regular meeting of the Board of Directors will be held at the offices of the company in Fort Worth, Texas, at 10:00 a.m. on Friday, October 21, 1953.

5. There being no further business to come before the meeting, it was thereupon adjourned.

Charles H. Nelson
 General Halsey, Secretary

October 2, 1953

To: Ellsworth C. Alvord	Donald N. McDonnell
George W. Codrington	Joseph T. McNarney
LaMotte T. Cohu	Clifton M. Miller
Lambert J. Gross	J. V. Naish
Roger I. Harris	Frank Pace, Jr.
John D. Hertz (Cary, Illinois	R. C. Patterson
and Canoga Park, California)	Lawrence B. Richardson
S. R. Inch	O. P. Robinson, Jr.
I. M. Laddon	Robert B. Watts
Henry M. Marx	D. T. Fisher

Pursuant to the provisions of the Bylaws, a regular meeting of the Board of Directors of this company will be held at 10:00 a.m. Central Standard Time on Friday, October 23, 1953, at the offices of the company in Fort Worth, Texas, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Unless you indicate otherwise we will make a hotel reservation for your arrival in Fort Worth on the afternoon of October 22, 1953.

If you indicate that you will attend the meeting we will get in touch with you several days before the meeting date to learn of your flight arrival time so that transportation will be available to you upon arrival.

Sincerely

Edmund Burke, Secretary

October 2, 1923

Donald H. McDonald
Joseph T. McHenry
Clifton H. Miller
J. V. Meigs
Frank Pace, Jr.
E. C. Patterson
Lawrence B. Richardson
O. P. Robinson, Jr.
Robert B. White
D. T. Fisher

For: Elsworth C. Alvord
George W. Cunningham
Charles T. Goss
Lester J. Goss
Roger I. Harris
John B. Harris (Cary, Illinois)
and George Park, California
E. B. Inch
L. M. Landon
Henry M. Marx

Pursuant to the provisions of the Bylaws, a regular meeting of the Board of Directors of this company will be held at 10:00 a.m. Central Standard Time on Friday, October 23, 1923, at the offices of the company in Fort Worth, Texas, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Unless you indicate otherwise we will make a hotel reservation for your arrival in Fort Worth on the afternoon of October 22, 1923.

If you indicate that you will attend the meeting we will get in touch with you several days before the meeting date to learn of your flight arrival time so that transportation will be available to you upon arrival.

Sincerely,

Edward Burke, Secretary

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD FRIDAY, OCTOBER 23, 1953

A regular meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at the offices of the company in Fort Worth, Texas, on Friday, October 23, 1953, at 10:00 a.m. Central Standard Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

John Jay Hopkins	Henry M. Marx
Ellsworth C. Alvord	Donald N. McDormell
George W. Codrington	Joseph T. McNarney
LaMotte T. Cohu	Clifton M. Miller
Lambert J. Gross	J. V. Naish
Roger I. Harris	Frank Pace, Jr.
S. R. Inch	L. B. Richardson
I. M. Laddon	O. P. Robinson, Jr.

The following directors were absent:

John D. Hertz
R. C. Patterson

Robert B. Watts, Vice President and General Counsel, and D. T. Fisher, Controller, were present by invitation.

John Jay Hopkins, Chairman, presided at the meeting and Edmund Burke, Secretary, recorded the minutes.

1. The Chairman suggested that consideration be given to the declaration of a quarterly dividend on the common stock of the company. After discussion and full consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
CONSOLIDATED VULCAN AIRCRAFT CORPORATION
HELD FRIDAY, OCTOBER 23, 1923

A regular meeting of the Board of Directors of Consolidated Vulcan Aircraft Corporation was held at the offices of the company in Fort Worth, Texas, on Friday, October 23, 1923, at 10:00 a.m. Central Standard Time, pursuant to notice given to all the directors in accordance with the requirements of the Bylaws. The following directors were present at the meeting and constituted a quorum for the transaction of business:

Henry M. Marx	John Jay Hopkins
Daniel M. McDermott	Elsworth C. Alford
Joseph T. Hollaway	George W. Conditon
Clifton M. Miller	Leola T. Cohn
J. V. Walsh	Robert J. Gross
Frank Pace, Jr.	Roger I. Harris
L. B. Richardson	S. H. Inch
C. P. Robinson, Jr.	I. N. Lashon

The following directors were absent:

John D. Harris
E. C. Patterson

Robert E. Watts, Vice President and General Counsel, and

G. T. Fisher, Controller, were present by invitation.

John Jay Hopkins, Chairman, presided at the meeting and

Edward Burke, Secretary, recorded the minutes.

1. The Chairman suggested that consideration be given to the declaration of a quarterly dividend on the common stock of the company. After discussion and full consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that a quarterly dividend of 45 cents a share on the outstanding fully-paid common stock of this company be and it hereby is declared and ordered paid on November 25, 1953 to the holders of said common stock of record at the close of business on November 13, 1953; and be it further

RESOLVED that pursuant to the Executive Officers' and Key Employees' Stock Purchase Plan of this company, a proportion of the foregoing dividend based upon the percentage of the total subscription consideration which has actually been paid on such partly-paid shares of the common stock of this company as are outstanding under the aforesaid Plan at the close of business on November 13, 1953, is hereby declared and ordered paid on November 25, 1953, to the holders of said partly-paid shares of common stock of record at the close of business on November 13, 1953, as certified as to the holders, the number of partly-paid shares held by each on said date and the percentages paid on said shares held by them on or before said date, to the Dividend Disbursing Agent, by the Secretary or an Assistant Secretary of the company; and be it further

RESOLVED that the officers of the company be and they hereby are authorized and instructed to deliver to The Chase National Bank of the City of New York, the Dividend Disbursing Agent of the company, the funds required to make the foregoing cash disbursements, and The Chase National Bank of the City of New York, acting as Dividend Disbursing Agent, is instructed to disburse the dividends to the holders of record in accordance with the terms of the foregoing resolutions.

2. The Secretary then presented the minutes of the meeting of the Board of Directors held on September 18, 1953. After due consideration the minutes of this meeting were approved as recorded.

3. The resignation of J. Geoffrey Notman as director, effective September 18, 1953, was next regretfully received and filed.

4. It was then suggested that the salary of J. W. Larson, Chief Engineer, Fort Worth Division, be increased from \$25,000 per

RESOLVED that a quarterly dividend of 15 cents a share on the outstanding fully-paid common stock of this company be and it hereby is declared and ordered paid on November 25, 1953 to the holders of said common stock of record at the close of business on November 13, 1953 and be it further

RESOLVED that pursuant to the Executive Order, and the Bylaws, Stock Purchase Plan of this company, a proportion of the foregoing dividend based upon the percentage of the total subscription consideration which has actually been paid on each partly-paid share of the common stock of this company as an outstanding order the dividend plan at the close of business on November 13, 1953, is hereby declared and ordered paid on November 25, 1953, to the holders of said partly-paid shares of common stock of record at the close of business on November 13, 1953, as certified as to the holders, the number of partly-paid shares held by each on said date and the percentages paid on said shares held by them on or before said date, to the Dividend Distributing Agent, by the Secretary or an Assistant Secretary of the company; and be it further

RESOLVED that the officers of the company do and they hereby are authorized and instructed to deliver to the Chase National Bank of the City of New York, the Dividend Distributing Agent of the company, the funds required to make the foregoing cash distributions, and the Chase National Bank of the City of New York, acting as Dividend Distributing Agent, is instructed to disburse the dividends to the holders of record in accordance with the terms of the foregoing resolutions.

2. The Secretary then presented the minutes of the meeting of the Board of Directors held on September 18, 1953. After due consideration the minutes of this meeting were approved as recorded.
3. The resignation of J. Geoffrey Johnson as director, effective September 18, 1953, was next respectfully received and filed.
4. It was then suggested that the salary of J. E. Larson, Chief Engineer, Fort Worth Division, be increased from \$25,000 per

annum to \$25,596 per annum, effective August 24, 1953. After consideration and upon a motion duly made, seconded and unanimously carried, the salary of J. W. Larson, Chief Engineer, Fort Worth Division, to serve at the pleasure of the Board, was fixed at the annual rate of \$25,596, effective August 24, 1953, until further action by the Board.

5. It was next stated that North American Aviation Inc., to satisfy the insuring title company, has requested the Board of Directors of Consolidated Vultee Aircraft Corporation to adopt a resolution ratifying the execution of a deed transferring title of Vultee Field Facility from Consolidated Vultee Aircraft Corporation to the United States Government. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the action of Robert B. Watts, Vice President and General Counsel, and Edmund Burke, Secretary, respectively, of Consolidated Vultee Aircraft Corporation, in executing a grant deed dated September 21, 1953, by which all of Consolidated Vultee Aircraft Corporation's interest in the real property known as the "Vultee Field Facility", all situate in Section 10, Township 3 South, Range 12 West, in the County of Los Angeles, State of California, was transferred to the United States of America, be and hereby is ratified and approved.

6. Attention was then called to certain existing resolutions which had established bank accounts not presently being used and it was suggested that these resolutions be rescinded. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

annex to \$2,500 per annum, effective August 26, 1952. After con- sideration and upon a motion duly made, seconded and unanimously carried, the salary of L. W. Larson, Chief Engineer, Fort Worth Division, to serve at the pleasure of the Board, was fixed at the annual rate of \$2,500, effective August 26, 1952, until further action by the Board.

7. It was next stated that North American Aviation Inc. to satisfy the financing title company, has requested the Board of Directors of Consolidated Utilities Aircraft Corporation to adopt a resolution ratifying the execution of a deed transferring title of United Field Facility from Consolidated Utilities Aircraft Corpora- tion to the United States Government. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the action of Robert B. White, Vice President and General Counsel, and Edward Burke, Secretary, respectively, of Consolidated Utilities Aircraft Corporation, in executing a grant deed dated September 21, 1952, by which all of Consolidated Utilities Aircraft Corporation's interest in the real property known as the "United Field Facility", all situate in Section 10, Township 3 South, Range 12 West, in the County of Los Angeles, State of California, was transferred to the United States of America, be and hereby is ratified and approved.

8. Attention was then called to certain existing resolu- tions which had established bank accounts not presently being used and it was suggested that these resolutions be rescinded. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that the resolutions adopted by this Board of Directors on August 10, 1943, providing for the use of facsimile signatures on payroll checks drawn on Bank of America N. T. & S. A. at Downey, California, be and they hereby are rescinded; and be it further

RESOLVED that resolutions adopted by this Board of Directors on January 18, 1944, establishing a Consolidated Vultee Aircraft Corporation Travel Expense Reimbursement Account with Bank of America N. T. & S. A., San Diego, California, be and they hereby are rescinded; and be it further

RESOLVED that resolutions adopted by this Board of Directors on October 9, 1951, as amended by a resolution adopted by this Board of Directors on October 22, 1951, establishing a Buttress & McClellan, Inc. and Consolidated Vultee Aircraft Corporation, Guided Missile Division, Special Bank Account with Bank of America N. T. & S. A., Pomona, California, be and they hereby are rescinded; and be it further

RESOLVED that resolutions adopted by this Board of Directors on February 20, 1952, establishing a Consolidated Vultee Aircraft Corporation Special Bank Account with National Bank of Tulsa, Tulsa, Oklahoma, be and they hereby are rescinded.

7. The Chairman next announced that the firm of Johnson & Higgins, insurance brokers, 63 Wall Street, New York 5, New York, was being retained to make a study of the Annuity Plan of the company and to submit its recommendations in respect thereof.

8. It was then stated that Bank of America has requested the Board of Directors of Consolidated Vultee Aircraft Corporation to adopt a resolution ratifying the execution of a letter agreement dated July 29, 1953 between Air Carrier Service Corporation, Bank of America, and Consolidated Vultee Aircraft Corporation, in connection with the purchase of Model 340 airplanes by Real S/A - Transportes Aereos. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the resolutions adopted by this Board of Directors on August 10, 1953, providing for the use of facsimile signatures on payroll checks drawn on Bank of America N. T. & S. A. at Los Angeles, California, be and they hereby are rescinded; and be it further

RESOLVED that resolutions adopted by this Board of Directors on January 15, 1954, establishing a Consolidated Value Aircraft Corporation Travel Expense Reimbursement Account with Bank of America N. T. & S. A., San Diego, California, be and they hereby are rescinded; and be it further

RESOLVED that resolutions adopted by this Board of Directors on October 9, 1951, as amended by a resolution adopted by this Board of Directors on October 25, 1952, establishing a Reimbursement & Welfare Fund, Consolidated Value Aircraft Corporation, United States Division, Special Bank Account with Bank of America N. T. & S. A., Los Angeles, California, be and they hereby are rescinded; and be it further

RESOLVED that resolutions adopted by this Board of Directors on February 20, 1953, establishing a Consolidated Value Aircraft Corporation Special Bank Account with National Bank of Tulsa, Tulsa, Oklahoma, be and they hereby are rescinded.

7. The Chairman next announced that the firm of Johnson

A Higgins, Insurance Broker, 63 Wall Street, New York 2, New York, was being retained to make a study of the Annuity Plan of the company and to submit its recommendations in respect thereof.

8. It was then stated that Bank of America has requested

the Board of Directors of Consolidated Value Aircraft Corporation to adopt a resolution ratifying the execution of a letter agreement

dated July 29, 1953 between Air Carrier Service Corporation, Bank

of America, and Consolidated Value Aircraft Corporation, in connection

with the purchase of Model 350 airplanes by Seal SA - Transpor-

ation. After consideration and upon a motion duly made, seconded and

unanimously carried, the following resolution was adopted:

RESOLVED that the action of J. G. Zevely, Director of Contracts of Consolidated Vultee Aircraft Corporation, in executing a letter agreement dated July 29, 1953, between Air Carrier Service Corporation, Bank of America N. T. & S. A. (San Francisco) and Consolidated Vultee Aircraft Corporation, in relation to Bank of America's loan of \$492,000 to Air Carrier Service Corporation (on promissory note) to be paid to Consolidated Vultee Aircraft Corporation for the account of Real S/A - Transportes Aereos, covering a down payment on undelivered aircraft, Consolidated Vultee Aircraft Corporation to purchase said note from the bank in the event same is not paid when due, be and hereby is ratified and approved.

9. The Chairman next suggested that consideration be given to the election of a director to fill an existing vacancy on the Board and upon a motion duly made, seconded and unanimously carried, Robert F. Windfohr of Fort Worth, Texas, was elected a member of the Board to serve subject to the provisions of the Bylaws until the next annual meeting of the Board of Directors and until his successor is elected and qualified. A committee composed of Messrs. McNarney and Pace then escorted Mr. Windfohr into the room. Mr. Windfohr thereupon took his seat as a director of the company and thereafter participated in the meeting.

10. At the request of the Chairman, the financial situation of Hiller Helicopters, in which the company holds as an investment, debentures having a face value of \$500,000, was reviewed. After consideration and upon a motion duly made, seconded and unanimously carried, the officers of the company were authorized to dispose of approximately \$80,000 in face value of the Hiller Helicopters Debentures owned by the company, and also to dispose of the 6408 shares of Airfleets, Inc. Common Stock owned by the company.

RECEIVED that the action of J. C. Levey, Director of Contracts of Consolidated United Aircraft Corporation, in executing a letter agreement dated July 27, 1957, between Air Carrier Service Corporation, Bank of America, N. T. & S. A. (San Francisco) and Consolidated United Aircraft Corporation, in relation to Bank of America's loan of \$100,000 to Air Carrier Service Corporation (on promissory note) to be paid to Consolidated United Aircraft Corporation for the account of Bank of America, covering a down payment on undelivered aircraft, Consolidated United Aircraft Corporation to purchase said note from the bank in the event same is not paid when due, be and hereby is ratified and approved.

9. The Chairman next suggested that consideration be given to the election of a director to fill an existing vacancy on the Board and upon a motion duly made, seconded and unanimously carried, Robert E. Winthrop of Fort Worth, Texas, was elected a member of the Board to serve subject to the provisions of the Bylaws until the next annual meeting of the Board of Directors and until his successor is elected and qualified. A committee composed of Messrs. McNamara and Pace then escorted Mr. Winthrop into the room. Mr. Winthrop thereupon took his seat as a director of the company and thereafter participated in the meeting.

10. At the request of the Chairman, the financial statement of Miller Helicopters, in which the company holds an investment, debentures having a face value of \$200,000, was reviewed. After consideration and upon a motion duly made, seconded and unanimously carried, the officers of the company were authorized to dispose of approximately \$50,000 in face value of the Miller Helicopters debentures owned by the company, and also to dispose of the 640 shares of AirLease, Inc. common stock owned by the company.

11. Upon invitation, J. G. Zevely then entered the room and participated in a review of the Model 340 program. Mr. Zevely then retired from the room.

At this point R. H. Biron, A. C. Esenwein and T. G. Lanphier, Jr., Vice Presidents, entered the room.

12. At the request of the Chairman, General McNarney then made a detailed report on the progress of the company, after which Mr. Esenwein, with the aid of charts, discussed the past, present and future levels of activity of the Fort Worth Division. Subject to existing security regulations, General McNarney's report was ordered filed with the records of the meeting.

At this point Messrs. Biron, Esenwein and Lanphier retired from the room.

13. The financial statements as of September 30, 1953, were next received, commented on by the Chairman, discussed and filed.

14. At the request of the Chairman, General McNarney then presented a request for a special contribution of \$100,000 for a research program directed toward the development of a prototype printer to be used in conjunction with Charactron for commercial exploitation of Charactron. After consideration and upon a motion duly made, seconded and unanimously carried, a special appropriation of \$100,000 for a research program directed toward the development of a prototype printer to be used in conjunction with Charactron, was approved.

At this point Mr. Lanphier reentered the room.

10/13/53

11. Upon invitation, J. G. Javelly then entered the room and participated in a review of the Model 340 program. Mr. Javelly then retired from the room.

At this point H. H. Brown, A. C. Kammann and T. C. Langston, Jr., Vice President, entered the room. 12. At the request of the Chairman, General Kammann then made a detailed report on the progress of the company, after which Mr. Kammann, with the aid of charts, discussed the past, present and future levels of activity of the Fort Worth Division. Subject to existing security regulations, General Kammann's report was ordered filed with the records of the meeting.

At this point Messrs. Brown, Kammann and Langston retired from the room.

13. The financial statements as of September 30, 1953, were next received, commented on by the Chairman, discussed and filed.

14. At the request of the Chairman, General Kammann then presented a request for a special contribution of \$100,000 for a research program directed toward the development of a prototype printer to be used in conjunction with Charistron for commercial exploitation of Charistron. After consideration and upon a motion duly made, seconded and unanimously carried, a special appropriation of \$100,000 for a research program directed toward the development of a prototype printer to be used in conjunction with Charistron, was approved.

At this point Mr. Langston reentered the room.

15. At the request of the Chairman, General McNarney next presented a schedule of proposed contributions aggregating \$172,850, which aggregate amount includes a previously approved contribution to the San Diego Community Chest. After discussion and upon a motion duly made, seconded and unanimously carried, the following contributions were approved:

<u>GENERAL OFFICE</u>	<u>AMOUNT</u>
Arthritis & Rheumatism Foundation	\$ 2,500
Air Force Association	5,000
San Diego Crippled Children's Hospital	1,000
Scripps Hospital	6,000
Committee for Economic Development	1,500
Freedoms Foundation	500
Reserve for Washington and Dayton Offices (\$250 each)	500
Reserve for San Antonio Office	100
Civil Air Patrol	500
Crusade for Freedom	500
United Jewish Appeal	250
Multiple Sclerosis	500
American Foundation for Blind	500
Navy Relief Society (Reserve)	750
Air Force Aid Society (Reserve)	750
Contingency (President's Contingency Fund)	2,000

SAN DIEGO DIVISION

San Diego Red Cross	15,000
Junior Achievement	1,000
Urban League	1,000
San Diego Heart Association	500
San Diego County Safety Council	500
American Cancer Society	1,000
San Diego Junior Chamber Soaring Meet, Harbor Day and Air Games	300
Downtown Optimists Club Boys Work Fund	100
American Society of Mechanical Engineers	100
San Diego Visitors Bureau	100
San Diego Police Relief Association	50
Edwards Air Force Base Fund (Reserve)	200
Contingency (President's Contingency Fund)	1,000

12. At the request of the Chairman, General Kettering next presented a schedule of proposed contributions aggregating \$172,800, which aggregate amount includes a previously approved contribution to the San Diego Community Chest. After discussion and upon a motion duly made, seconded and unanimously carried, the following contributions were approved:

GENERAL OFFICE		AMOUNT
Arthur & Katherine Foundation		\$ 2,500
Air Force Association		2,000
San Diego Children's Hospital		1,000
San Diego Hospital		6,000
Committee for Economic Development		1,500
Frederick Foundation		500
Reserve for Washington and Dayton Offices		500
(1950 each)		500
Reserve for San Antonio Office		100
Oliver Air Patrol		500
Grants for Freedom		500
United Jewish Appeal		250
Editha Roberts		500
Japanese Foundation for Blind		500
Naval Relief Society (Reserve)		750
Air Force Aid Society (Reserve)		750
Continuity (President's Continuity Fund)		2,000
SAN DIEGO DIVISION		
San Diego Red Cross		12,000
Junior Achievement		1,000
Urban League		1,000
San Diego Heart Association		500
San Diego County Safety Council		500
San Diego Cancer Society		1,000
San Diego Junior Chamber Service Unit		300
Junior Jay and Air Guard		100
San Diego Optician Club Boys Work Fund		100
American Society of Hematology Engineers		100
San Diego Visitors Bureau		100
San Diego Police Relief Association		50
Reserve Air Force Base Fund (Reserve)		200
Continuity (President's Continuity Fund)		1,000

FORT WORTH DIVISIONAMOUNT

United Fund (Community Chest and Red Cross)	\$ 32,500
Fort Worth Hospital	25,000
Southwest Business Foundation	2,500
Fort Worth Children's Museum	250
Contingency (President's Contingency Fund)	1,000
Texas Section - Institute of Aeronautical Sciences	2,500

POMONA DIVISION

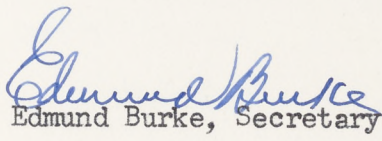
Pomona Community Chest	4,500
Pomona Red Cross	1,500
Pomona Valley Community Hospital	7,500
American Cancer Society	500
Contingency (President's Contingency Fund)	750

DAINGERFIELD DIVISION

Daingerfield Red Cross	100
March of Dimes	75
Heart and Cancer Fund	50
School and Civic Programs	175
Contingency (President's Contingency Fund)	250
	<u>\$122,850</u>
San Diego Community Chest, approved by Board September 18, 1953	50,000
Total	<u><u>\$172,850</u></u>

16. The Chairman then announced that the next regular meeting of directors will be held at the offices of the company in Pomona, California at 11:00 a.m. on Friday, November 20, 1953.

17. There being no further business to come before the meeting, it was thereupon adjourned.


Edmund Burke, Secretary

AMOUNT

WEST NORTH DIVISION

2,500	Astronomical Sciences
1,000	Texas Section - Institute of
250	Contingency (President's Contingency Fund)
250	Port North Children's Museum
2,500	Southwest Business Foundation
25,000	Port North Hospital
\$ 35,500	United Fund (Community Chest and Red Cross)

MIDWEST DIVISION

1,500	Persons Community Chest
1,500	Persons Red Cross
7,500	Persons Valley Community Hospital
500	American Cancer Society
750	Contingency (President's Contingency Fund)

SOUTHWEST DIVISION

100	Belmont Field Red Cross
75	North of Texas
50	Heart and Cancer Fund
175	School and Civic Programs
250	Contingency (President's Contingency Fund)
<u>\$12,875</u>	

50,000	San Diego Community Chest, approved by
	Board September 18, 1953
<u>\$172,850</u>	Total

16. The Chairman then announced that the next regular meeting of directors will be held at the offices of the company in Pomona, California at 11:00 a.m. on Friday, November 20, 1953.

17. There being no further business to come before the meeting, it was thereupon adjourned.

Edward Burke
Edward Burke, Secretary

November 3, 1953

To: Elsworth G. Alford
George W. Cunningham
Lambert J. Gage
Roger T. Harris
John B. Herby (Care, Pittsburgh)
New York City and
Garage Park, California
Henry M. Katz

Donald E. McDaniel
Clifton H. Miller
Frank Pace, Jr.
R. C. Patterson
Lawrence
D. P. R. R.
A. F. Winfield

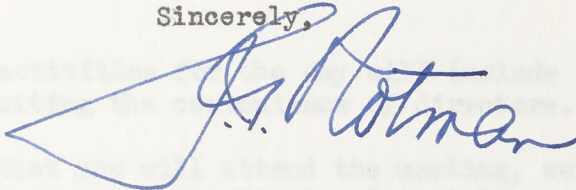
September 18, 1953

Mr. Frank Pace, Jr.
Vice Chairman of the Board of Directors
Consolidated Vultee Aircraft Corporation
San Diego, California

Dear Frank:

This will constitute my resignation
as a member of the Board of Directors of
Consolidated Vultee Aircraft Corporation,
effective immediately.

Sincerely,



If you indicate that you will attend the meeting we will have a room reserved for you at the Hamilton Inn at Riverside, California, for your arrival in the evening of November 19, and will get in touch with you several days before the meeting date to learn of your flight arrival time at Los Angeles so that transportation will be available to you upon arrival there.

Sincerely,

Edward Burke, Secretary

Consolidated Value Aircraft Corporation

September 18, 1953

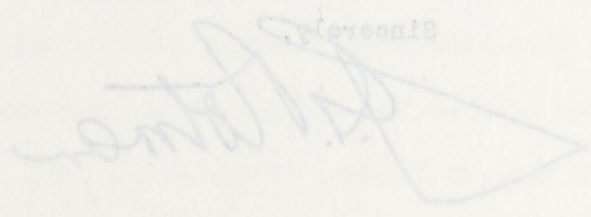
Mr. Frank Pace, Jr.
Vice Chairman of the Board of Directors
Consolidated Value Aircraft Corporation
San Diego, California

Dear Frank:

This will constitute my resignation

as a member of the Board of Directors of
Consolidated Value Aircraft Corporation.

Effective immediately.

Sincerely,


November 3, 1953

To: Ellsworth C. Alvord	Donald N. McDonnell
George W. Codrington	Clifton M. Miller
Lambert J. Gross	Frank Pace, Jr.
Roger I. Harris	R. C. Patterson
John D. Hertz (Cary, Illinois,	Lawrence B. Richardson
New York City and	O. P. Robinson, Jr.
Canoga Park, California)	R. F. Windfohr
Henry M. Marx	

Pursuant to the provisions of the Bylaws, a regular meeting of the Board of Directors of this company will be held at 11:00 a.m. Pacific Standard Time on Friday, November 20, 1953, at the offices of the company in Pomona, California, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Mr. Horne and the Pomona Division Management Group will be hosts at a stag dinner for Board members on Friday evening, November 20. You will receive details concerning this event at a later date.

The schedule of activities for the day will include a tour of the Pomona Plant suiting the convenience of directors.

If you indicate that you will attend the meeting, we will have a room reserved for you at the Mission Inn at Riverside, California, for your arrival in the evening of November 19, and will get in touch with you several days before the meeting date to learn of your flight arrival time at Los Angeles so that transportation will be available to you upon arrival there.

Sincerely

Edmund Burke, Secretary

November 1, 1953

Donald E. McHenry
William H. Miller
Frank Lane, Jr.
H. C. Patterson
Lawrence H. Richardson
O. F. Robinson, Jr.
J. E. Whitcomb

To: Elmer G. Alvord
George W. Bodin
Lambert J. Brown
Roger J. Harris
John D. Hertz (Gov., Illinois)
New York City and
San Francisco, California
Henry B. May

Pursuant to the provisions of the Bylaws, a regular meeting of the Board of Directors of this company will be held at 11:00 a.m. Pacific Standard Time on Friday, November 20, 1953, at the office of the company in Pomona, California, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Mr. Hertz and the Pomona Division Management Group will be hosts at a stag dinner for Board members on Friday evening, November 20. You will receive details concerning this event at a later date.

The schedule of activities for the day will include a tour of the Pomona Plant and the construction of directors.

If you indicate that you will attend the meeting, we will have a room reserved for you at the Mission Inn at Riverside, California. For your arrival in the evening of November 19, and will get in touch with you several days before the meeting date to learn of your flight arrival time at Los Angeles so that transportation will be available to you upon arrival there.

Sincerely,

Edward Burke, Secretary

November 3, 1953

To: LaMotte T. Cohu
S. R. Inch
I. M. Laddon
Joseph T. McNarney

J. V. Naish
Robert B. Watts
D. T. Fisher

Pursuant to the provisions of the Bylaws, a regular meeting of the Board of Directors of this company will be held at 11:00 a.m. Pacific Standard Time on Friday, November 20, 1953, at the offices of the company in Pomona, California, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Mr. Horne and the Pomona Division Management Group will be hosts at a stag dinner for Board members on Friday evening, November 20. You will receive details concerning this event at a later date.

The schedule of activities for the day will include a tour of the Pomona Plant suiting the convenience of directors.

If you indicate that you will attend the meeting, we will get in touch with you several days before the meeting date to arrange for any desired transportation and hotel room reservation.

Sincerely

Edmund Burke, Secretary

November 5, 1953

J. V. Walsh
Robert E. Walsh
R. T. Walsh

Joseph T. Mahoney
I. H. Landon
S. E. Lash
John J. Lash

Reference is made to the provisions of the Bylaws, a regular meeting of the Board of Directors of this company will be held at 11:00 a.m. Pacific Standard Time on Friday, November 20, 1953, at the offices of the company in Los Angeles, California, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Mr. Harris and the Finance Division Management Group will be hosts at a special dinner for Board members on Friday evening, November 20. You will receive details concerning this event at a later date.

The schedule of activities for the day will include a tour of the Los Angeles Plant and the conveniences of directors.

If you indicate that you will attend the meeting, we will get in touch with you several days before the meeting date to arrange for any desired transportation and hotel room reservation.

Sincerely,

Edward Burke, Secretary

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD FRIDAY, NOVEMBER 20, 1953

A regular meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at the offices of the company in Pomona, California, on Friday, November 20, 1953, at 11:00 a.m. Pacific Standard Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

John Jay Hopkins	Donald N. McDonnell
Ellsworth C. Alvord	Joseph T. McNarney
George W. Codrington	Clifton M. Miller
LaMotte T. Cohu	J. V. Naish
Lambert J. Gross	Frank Pace, Jr.
Roger I. Harris	R. C. Patterson
S. R. Inch	L. B. Richardson
I. M. Laddon	O. P. Robinson, Jr.
Henry M. Marx	

The following directors were absent:

John D. Hertz
R. F. Windfohr

Robert B. Watts, Vice President and General Counsel, and D. T. Fisher, Controller, were present by invitation.

John Jay Hopkins, Chairman, presided at the meeting and Edmund Burke, Secretary, recorded the minutes.

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
CONSOLIDATED VALUE AIRCRAFT CORPORATION
HELD FRIDAY, NOVEMBER 30, 1951

A regular meeting of the Board of Directors of Consolidated Value Aircraft Corporation was held at the offices of the company in Pomona, California, on Friday, November 30, 1951, at 11:00 a.m. Patrick Standard Time, pursuant to notice given to all the directors in accordance with the requirements of the Bylaws. The following directors were present at the meeting and constituted a quorum for the transaction of business:

John Jay Hopkins	Joseph E. Kennedy
Edward C. Alford	William M. Miller
George W. Livingston	J. V. Keith
Laurette T. Goss	Frank Ross, Jr.
Isaac J. Gross	R. C. Patterson
Robert I. Harris	L. R. Richardson
R. R. Nash	O. P. Robinson, Jr.
I. M. Ladd	
Harry H. Marx	

The following directors were absent:

John D. Harris
R. F. Wadsworth

Robert H. Watts, Vice President and General Counsel, and D. T. Fisher, Controller, were present by invitation. John Jay Hopkins, Chairman, presided at the meeting and Edward Marx, Secretary, recorded the minutes.

11/20/53

1. The Secretary presented the minutes of the meeting of the Board of Directors held on October 23, 1953. After due consideration the minutes of this meeting were approved as recorded.

2. It was then proposed that Section 1 of Article VII of the Bylaws be amended. After discussion and consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted, the said adoption being upon the affirmative vote of the majority of the entire Board then in office:

RESOLVED that Section 1 of Article VII of the Bylaws of this company shall be and hereby is amended to read as follows:

Effective June 15, 1953, each director shall be paid a director's fee of \$250 a day for each day of service or portion thereof rendered to the corporation in attending meetings of the Board of Directors or committees thereof. Days or portions thereof spent in traveling to and from meetings of the Board of Directors or committees thereof and attendance at such meetings shall be counted as days of service. Directors who receive an annual retainer of \$12,000 or more from the corporation and directors who are salaried officers of the corporation shall receive this fee only for days or portions thereof spent in actual attendance at such meetings.

Directors other than those (a) receiving an annual retainer of \$12,000 or more from the corporation or (b) who are salaried officers of the corporation may also be entitled to compensation for services rendered to the corporation other than in attendance at meetings when such services are specifically authorized by the Chairman in like amount or in such other amount as may be authorized by the Chairman.

In addition to these payments directors are to be reimbursed for reasonable expenses incurred in connection with their service to the corporation, including attendance at meetings.

11/20/52

1. The Secretary presented the minutes of the meeting

of the Board of Directors held on October 23, 1952. After due consideration the minutes of this meeting were approved as recorded.

2. It was then proposed that Section I of Article VII

of the Bylaws be amended. After discussion and consideration and

upon a motion duly made, seconded and unanimously carried, the

following resolution was adopted, the said adoption being upon

the affirmative vote of the majority of the entire Board then in

office:

RESOLVED that Section I of Article VII of the Bylaws of this company shall be and hereby is amended to read as follows:

Effective June 15, 1953, each director shall be paid a director's fee of \$250 a day for each day of service or portion thereof rendered to the corporation in attending meetings of the Board of Directors or committees thereof. Days or portions thereof spent in traveling to and from meetings of the Board of Directors or committees thereof and attendance at such meetings shall be counted as days of service. Directors who receive an annual retainer of \$15,000 or more from the corporation and directors who are salaried officers of the corporation shall receive this fee only for days or portions thereof spent in actual attendance at such meetings.

Directors other than those (a) receiving an annual retainer of \$15,000 or more from the corporation or (b) who are salaried officers of the corporation may also be entitled to compensation for services rendered to the corporation other than in attendance at meetings when such services are specifically authorized by the Chairman in the amount or in such other amount as may be authorized by the Chairman.

In addition to these payments directors are to be reimbursed for reasonable expenses incurred in connection with their services to the corporation, including mileage at meetings.

3. The Chairman next requested that consideration be given to the adoption of a proposed Incentive Compensation Plan. It was pointed out that a need exists for a sound incentive plan to encourage officers and other valuable employees of the company who are making a significant contribution to its affairs to remain in the employ of the company, to furnish a continuing incentive for faithful service and also to help attract new personnel of outstanding ability to the service of the company. It was further stated that similar plans have been successfully used by other companies over a period of years. After full discussion and consideration the following resolution was adopted by the unanimous vote of all directors present except Messrs. Hopkins, Pace, Richardson, McNarney and Naish, who were recorded as not voting:

RESOLVED that the following Incentive Compensation Plan be and it hereby is adopted, subject to such changes or amendments as counsel and the Incentive Compensation Plan Committee of the Board of Directors may recommend to the Board and subject to the approval of the stockholders of the company during the year 1954:

SECTION I - Purpose

The purpose of this Plan is to provide a means to furnish those employees who contribute conspicuously by their ability, ingenuity and industry to the management and to the operations of the Corporation with an additional incentive to protect and advance the interests of the Corporation. To that end this Plan will afford an opportunity for employees to participate in the results of the operations arising from their efforts on behalf of, and contributions to the success of the Corporation.

SECTION II - Definitions

In this Plan the following words and expressions shall have the meanings hereinafter assigned to them:

12/20/52

3. The Chairman next requested that consideration be given to the adoption of a proposed Incentive Compensation Plan. It was pointed out that a need exists for a sound incentive plan to encourage officers and other valuable employees of the company who are making a significant contribution to the efforts to remain in the ranks of the company, to furnish a continuing incentive for faithful service and also to help attract new personnel of outstanding ability to the service of the company. It was further stated that similar plans have been successfully used by other companies over a period of years. After full discussion and consideration the following resolution was adopted by the unanimous vote of all directors present except Messrs. Hopkins, Pack, Richardson, Robinson and Ketch, who were recorded as not voting:

RESOLVED That the following Incentive Compensation Plan be and it hereby is adopted, subject to such changes or amendments as counsel and the Incentive Compensation Plan Committee of the Board of Directors may recommend to the Board and subject to the approval of the stockholders of the company during the year 1953:

SECTION I - Purpose

The purpose of this Plan is to provide a means to furnish those employees who contribute significantly by their ability, industry and loyalty to the management and to the operation of the Corporation with an additional incentive to protect and advance the interests of the Corporation. To that end this Plan will afford an opportunity for employees to participate in the results of the operations arising from their efforts on behalf of, and contributions to the success of the Corporation.

SECTION II - Definition

In this Plan the following words and expressions shall have the meanings hereinafter assigned to them:

- (a) "Plan" means this Incentive Compensation Plan.
- (b) "Corporation" means Consolidated Vultee Aircraft Corporation. In the event the Corporation acquires subsidiaries (corporations in which the Corporation has in excess of 50% of the voting power), the term "Corporation" shall include such subsidiaries as the Board of Directors by resolution duly adopted shall determine.
- (c) "Board of Directors" or "Board" means the Board of Directors of the Corporation.
- (d) "Committee" means the Incentive Compensation Plan Committee hereinafter provided for.
- (e) "Independent auditors" means with respect to any year the independent auditors who have been authorized by the Board of Directors to audit the books of the Corporation.
- (f) "Employees" means officers and employees regularly employed by the Corporation at any time during the year.
- (g) "Capital Employed" means with respect to any year the sum of the following, as shown by the books of the Corporation, all as certified to by the independent auditors of the Corporation:
- (1) The weighted average during the year of the par value of the issued and outstanding shares of Common Stock of the Corporation, whether or not fully paid, excluding shares of Common Stock held in the Corporation's treasury;
 - (2) The weighted average during the year of Capital or paid-in surplus, if any;
 - (3) Earned surplus including surplus reserves at the beginning of the year;
 - (4) The weighted average during the year of long-term debt, if any, representing unpaid amount of indebtedness of the Corporation having maturity at the time of its creation of more than one year.
- (h) "Gross Profit" means with respect to any year the profit before provision for Federal income and excess profits taxes shown on the statement of income of the Corporation certified to by the independent auditors of the Corporation (1) with such adjustment for any unusual or non-recurring items of income or loss not arising in the ordinary course

- (a) "Plan" means this Incentive Compensation Plan.
- (b) "Corporation" means Consolidated Natural Gas System Corporation. In the event the Corporation transfers or otherwise (including in which the Corporation has an interest of 50% or more power), the term "Corporation" shall include each subsidiary as the Board of Directors by resolution duly adopted shall determine.
- (c) "Board of Directors" or "Board" means the Board of Directors of the Corporation.
- (d) "Committee" means the Incentive Compensation Plan Committee hereinafter provided for.
- (e) "Independent auditors" means with respect to any year the independent auditors who have been authorized by the Board of Directors to audit the books of the Corporation.
- (f) "Employees" means officers and employees regularly employed by the Corporation at any time during the year.
- (g) "Capital Employed" means with respect to any year the sum of the following, as shown by the books of the Corporation, all as certified to by the independent auditors of the Corporation:
 - (1) The weighted average during the year of the par value of the issued and outstanding shares of Common Stock of the Corporation, whether or not fully paid, excluding shares of Common Stock held in the Corporation's treasury;
 - (2) The weighted average during the year of Capital or paid-in surplus, if any;
 - (3) Earned surplus including surplus reserves at the beginning of the year;
 - (4) The weighted average during the year of long-term debt, if any, representing unpaid amount of indebtedness of the Corporation having maturity at the time of the creation of more than one year.
- (h) "Gross Profit" means with respect to any year the profits before provision for Federal income and excess profits taxes shown on the statement of income of the Corporation certified to by the independent auditors of the Corporation (2) with such adjustment for any unusual or non-recurring items of income or loss not arising in the ordinary course

11/20/53

of business of the Corporation as the Committee in its sole and uncontrolled discretion may determine, (2) without deduction of the Incentive Compensation for the year, and (3) with the addition thereto of interest actually accrued during the year on the long-term debt included in Capital Employed.

(i) "Weighted average" means with respect to any year the sum of the balance sheet item in question at the end of each calendar month during such year as shown by the books of the Corporation, divided by twelve.

(j) "Year" means the fiscal year of the Corporation.

SECTION III - Committee

The Board of Directors shall appoint a committee of not less than three (3) Directors, none of whom shall be officers or employees of the Corporation or eligible to participate in the Plan, and who, together with the Chairman of the Board of Directors of the Corporation as a member ex officio, shall be known as the Incentive Compensation Plan Committee. The Committee shall have full power and authority to interpret and administer the Plan. The members of the Committee shall serve at the pleasure of the Board which shall have the power at any time or from time to time to remove members from the Committee or to add members thereto. Vacancies in the Committee however caused shall be filled by action of the Board. The Committee shall select one of its members as its Chairman and shall hold its meetings at such times and places as it may determine. A majority of its members shall constitute a quorum. All decisions or determinations of the Committee shall be made by a majority of such of its members as shall be present at a meeting duly called and held at which a quorum shall be present; provided, however, that any decision or determination reduced to writing and signed by a majority of the members of the Committee shall be as fully effective as if it had been made as aforesaid at a meeting duly called and held. The Committee may appoint a Secretary, shall keep minutes of its meetings and may make such rules and regulations for the conduct of its business, not inconsistent herewith, as it may deem advisable.

SECTION IV - Participants

The persons eligible to participate under the Plan shall be those employees of the Corporation which are mainly responsible in an executive, administrative,

of business of the Corporation as the Committee in the
 sole and uncontrolled discretion may determine, (2)
 without deduction of the incentive compensation for the
 year, and (3) with the addition thereto of interest
 normally accrued during the year on the long-term debt
 included in Capital Budgeted.

(1) "Weighted average" means with respect to any year
 the sum of the balances sheet item in question at the end
 of each calendar month during such year as shown by the
 books of the Corporation, divided by twelve.

(2) "Year" means the fiscal year of the Corporation.

SECTION III - Committee

The Board of Directors shall appoint a committee of
 not less than three (3) Directors, none of whom shall be
 officers or employees of the Corporation or eligible to
 participate in the Plan, and who, together with the Chair-
 man of the Board of Directors of the Corporation as a
 member ex officio, shall be known as the Incentive Com-
 pensation Plan Committee. The Committee shall have full
 power and authority to interpret and administer the Plan.
 The members of the Committee shall serve at the pleasure
 of the Board which shall have the power at any time or
 from time to time to remove members from the Committee
 or to add members thereto. Vacancies in the Committee
 however caused shall be filled by action of the Board.
 The Committee shall select one of its members as its
 Chairman and shall hold the meetings at such times and
 places as it may determine. A majority of its members
 shall constitute a quorum. All decisions or determina-
 tions of the Committee shall be made by a majority of
 each of its members as shall be present at a meeting
 duly called and held at which a quorum shall be present;
 provided, however, that any decision or determination
 reached in writing and signed by a majority of the members
 of the Committee shall be as fully effective as if it had
 been made at a meeting duly called and held.
 The Committee may appoint a Secretary, shall keep minutes
 of its meetings and may make such rules and regulations
 for the conduct of its business, not inconsistent herewith,
 as it may deem advisable.

SECTION IV - Participation

The persons eligible to participate under the Plan
 shall be those employees of the Corporation who are
 actively responsible in an executive, administrative,

professional, technical or advisory capacity for the management of the operations of the Corporation, including the heads of the various departments, divisions and other operating units and their principal assistants and advisers in directing operations. Directors as such shall not participate under the Plan, but the fact that an employee is also a Director shall not prevent his participation. As used in this paragraph, "employee" in the Committee's discretion may include a person who was an employee at any time during the year or an employee deceased during the year; in case of a deceased employee, the incentive compensation, if any, determined for him for the year by the Committee shall be paid to his spouse, children, parents or legal representatives as may be directed by the Committee.

SECTION V - Determination of Participants

The Committee in its uncontrolled discretion shall determine each year the participants and the amount of participation of each of the participants. In choosing participants and in determining the amount of incentive compensation of each participant, the Committee shall consider the positions and responsibilities of the various participants, the accomplishments of each during the year, the value to the corporation and its subsidiaries of their services and such other factors as the Committee deems pertinent.

SECTION VI - Formula for Computing Incentive Compensation

The Aggregate Incentive Compensation shall consist of an amount for each year determined as follows:

1. There shall be deducted from Gross Profit an amount which after payment of Federal income and excess profits taxes thereon (at the rates in effect at the time as to the entire income and profits of the Corporation as shown conclusively by the books of the Corporation for such year) would equal the sum of 6% of the Capital Employed.
2. The balance remaining shall be the Surplus Gross Profit for the year for the purposes of this Plan; 5% of said Surplus Gross Profit shall constitute the maximum Aggregate Incentive Compensation.
3. The Aggregate Incentive Compensation which shall be credited to the Incentive Compensation Account for the year shall be either the maximum Aggregate Incentive Compensation or such lesser amount thereof as the Committee

professional, technical or advisory capacity for the management of the operations of the Corporation, including the heads of the various departments, divisions and other operating units and their principal assistants and advisors in directing operations. Directors as such shall not participate under the Plan, but the fact that an employee is also a Director shall not prevent his participation. As used in this paragraph, "employee" in the Committee's discretion may include a person who was an employee at any time during the year or an employee deceased during the year; in case of a deceased employee, the incentive compensation, if any, determined for his for the year by the Committee shall be paid to his spouse, children, parents or legal representatives as may be directed by the Committee.

SECTION V - Determination of Participation

The Committee in its uncontrolled discretion shall determine each year the participants and the amount of participation of each of the participants. In choosing participants and in determining the amount of incentive compensation of each participant, the Committee shall consider the position and responsibilities of the various participants, the accomplishments of each during the year, the value to the corporation and its subsidiaries of their services and such other factors as the Committee deems pertinent.

SECTION VI - Formula for Computing Incentive Compensation

The Aggregate Incentive Compensation shall consist of an amount for each year determined as follows:

1. There shall be deducted from Gross Profit an amount which after payment of Federal income and excess profits taxes thereon (at the rates in effect at the time as to the entire business and profits of the Corporation for such year) would equal the sum of 66 of the Capital Budget.

2. The balance remaining shall be the Surplus Gross Profit for the year for the purposes of this Plan; 25% of said Surplus Gross Profit shall constitute the maximum Aggregate Incentive Compensation.

3. The Aggregate Incentive Compensation which shall be awarded to the Incentive Compensation Account for the year shall be either the maximum Aggregate Incentive Compensation or such lesser amount thereof as the Committee

in its sole discretion shall determine after consideration of the unawarded balance in the Incentive Compensation Account carried forward from prior years, the participations to be awarded for the year in question and such other matters as may be relevant.

SECTION VII - Incentive Compensation Account

There shall be established on the books of the Corporation as a liability an Incentive Compensation Account, to which there shall be credited annually the Aggregate Incentive Compensation determined as hereinabove provided in Section VI. The maximum Aggregate Incentive Compensation shall be audited and certified by the independent auditors of the Corporation and said auditors shall report the amount thereof to the Board of Directors and the Committee upon the completion of the audit of the books of the Corporation by said auditors for the year. The Committee shall thereupon make its determination of the amount of Aggregate Incentive Compensation to be credited to the Incentive Compensation Account for the year as hereinabove provided in Section VI, and shall report the amount thereof to the Board of Directors. The amount so credited to the Incentive Compensation Account, plus any unawarded balance in the Incentive Compensation Account carried forward from prior years, shall be available to the Committee for use as incentive compensation for such year under the Plan.

SECTION VIII - Award of Incentive Compensation to Participants

1. The Committee shall not be required to award to the participants as incentive compensation for any year the total amount credited to the Incentive Compensation Account for that year or the unawarded balance carried forward from prior years. No part of the Incentive Compensation Account shall at any time be restored to the general funds of the Corporation but such Account shall at all times be a liability of the Corporation under this Plan even though the amount thereof shall not have been awarded.

2. The Committee for each year shall promptly after making its determination of the amount of the Aggregate Incentive Compensation to be credited to the Incentive Compensation Account for the year, determine the amount to be awarded to participants as incentive compensation for such year, the participants in the amount to be awarded, the extent of the participation of each and whether or not the same shall be paid in a lump sum or in not more than five annual installments of equal or varying fractional parts thereof; provided,

in the sole discretion shall determine after consultation of the unvested balance in the incentive compensation account carried forward from prior years, the portion to be awarded for the year in question and such other matters as may be relevant.

SECTION VII - Incentive Compensation Account

There shall be established on the books of the Corporation as a liability an Incentive Compensation Account, to which there shall be credited annually the aggregate incentive compensation determined as hereinafter provided in Section VI. The account aggregate incentive compensation shall be credited and certified by the independent auditors of the Corporation and said auditors shall report the amount thereof to the Board of Directors and the Committee upon the completion of the audit of the books of the Corporation by said auditors for the year. The Committee shall thereupon make its determination of the amount of aggregate incentive compensation to be credited to the incentive compensation account for the year as hereinafter provided in Section VI, and shall report the amount thereof to the Board of Directors. The amount so credited to the incentive compensation account plus any unvested balance in the incentive compensation account carried forward from prior years, shall be available to the Committee for use as incentive compensation for each year under the Plan.

SECTION VIII - Award of Incentive Compensation to Participants

1. The Committee shall not be required to award to the participants an incentive compensation for any year the total amount credited to the incentive compensation account for that year or the unvested balance carried forward from prior years. No part of the incentive compensation account shall at any time be returned to the general funds of the Corporation but such amount shall at all times be a liability of the Corporation under this Plan even though the amount thereof shall not have been awarded.

2. The Committee for each year shall promptly after making its determination of the amount of the aggregate incentive compensation to be credited to the incentive compensation account for the year, determine the amount to be awarded to participants as incentive compensation for such year, the participation in the amount to be awarded, the extent of the participation of each and whether or not the same shall be paid in a lump sum or in not more than five annual installments of equal or varying fractional parts thereof; provided,

however, that the obligation to pay future installments to the participants, respectively, shall vest in the participants, respectively, and shall constitute a liability of the Corporation. Where the incentive compensation of any participant for any year is made payable in annual installments as aforesaid, the first installment shall be paid promptly and the remaining installments shall be paid at the rate of one installment per year at a date in each year fixed by the Committee until all installments shall have been paid. If a participant leaves the employ of the Corporation or dies before the payment of any installment or installments of his incentive compensation for any year has been paid, such future installment or installments shall be paid to him or his estate, as the case may be, in which case the Committee shall have the right to cause the Corporation to accelerate the payment of any one or more installments.

SECTION IX - Interpretation and Administration

All determinations, decisions and directions made or given by the Board of Directors or the Committee under the Plan shall be final and conclusive. The decision of the Board of Directors or the Committee on any questions concerning or involving the interpretation and administration of the Plan shall be final and conclusive, and nothing in this Plan shall be deemed to give any officer or employee, his legal representatives or assigns, any right to participate in the Incentive Compensation Account except to such extent, if any, as the Committee may have determined or approved pursuant to the provisions of this Plan. The Board in passing on the matters which it is required to approve, as provided in this Plan, may, in its discretion, rely upon the recommendations made by the Committee with respect thereto.

SECTION X - Amendment or Discontinuance

(a) The Board of Directors may from time to time amend, modify, change, suspend or terminate, in whole or in part and, if terminated, may reinstate, any or all of the provisions of the Plan, except that:

(1) No amendment, modification, change, suspension or termination may, without his consent, affect the payment to any participant of any participation awarded to him prior to the effective date of such amendment, modification, change, suspension or termination;

however, that the obligation to pay future installments to the participants, respectively, shall vest in the participants, respectively, and shall constitute a liability of the Corporation. Where the incentive compensation of any participant for any year is made payable in annual installments as aforesaid, the first installment shall be paid promptly and the remaining installments shall be paid at the rate of one installment per year at a date in each year fixed by the Committee until all installments shall have been paid. If a participant leaves the employ of the Corporation or dies before the payment of any installment or installment of his incentive compensation for any year has been paid, such future installment or installments shall be paid to him or his estate, as the case may be, in which case the Committee shall have the right to cause the Corporation to accelerate the payment of any one or more installments.

SECTION IX - Interpretation and Administration

All determinations, decisions and directions made or given by the Board of Directors or the Committee under the Plan shall be final and conclusive. The decision of the Board of Directors or the Committee on any question concerning or involving the interpretation and administration of the Plan shall be final and conclusive, and nothing in this Plan shall be deemed to give any officer or employee his legal representative or assigns, any right to participate in the incentive compensation account except to such extent, if any, as the Committee may have determined or approved pursuant to the provisions of this Plan. The Board is hereby authorized which it is required to approve, as provided in this Plan, any, in its discretion, may upon the recommendation made by the Committee with respect thereto.

SECTION X - Amendment or Discontinuance

(a) The Board of Directors may from time to time amend, modify, change, suspend or terminate, in whole or in part and if terminated, may reinstate, any or all of the provisions of the Plan, except that:

(1) No amendment, modification, change, suspension or termination may, without his consent, affect the payment to any participant of any participation awarded to him prior to the effective date of such amendment, modification, change, suspension or termination;

(2) No amendment, modification or change may withdraw the obligation and right of interpretation and administration of the Plan from a Committee of the Board of Directors, no member of which (except the ex officio member) is eligible to participate under the Plan, without the prior approval of the stockholders of the Corporation; and

(3) No amendment, modification or change may be made which will increase the amount which may be appropriated to the Incentive Compensation Account as hereinabove provided without the prior approval of the stockholders of the Corporation.

The fact that a Director is, has been or will be a participant in the Plan shall not disqualify him from voting as a Director for or against an amendment, modification, change, suspension or termination of the Plan or any part thereof. Any such amendment, modification, change, suspension or termination of the Plan shall be reported to the stockholders by the Board of Directors at the next Annual Meeting of Stockholders.

(b) The stockholders entitled to vote, by vote of a majority of the shares outstanding, at any Annual Meeting or any Special Meeting called for that purpose, may from time to time amend, modify, change, suspend or terminate in whole or in part and, if terminated, may reinstate, any or all of the provisions of the Plan except that no amendment, modification, change, suspension or termination may, without his consent, affect the payment to any participant of any participation awarded to him prior to the effective date of such amendment, modification, change, suspension or termination.

SECTION XI - General

(a) No participant shall have any right with respect to any award or allotment under the Plan until such award or allotment shall have been paid to him or written notice thereof delivered to him.

(b) The place of administration of the Plan shall be conclusively deemed to be within the State of Delaware and the validity, construction, interpretation, administration and effect of the Plan and of its rules and regulations and the rights of any and all persons having or claiming to have an interest therein or thereunder shall be governed by and determined exclusively and solely in accordance with the laws of the State of Delaware.

(2) No amendment, modification or change may be made which will increase the amount which may be appropriated to the incentive compensation account as hereinabove provided without the prior approval of the stockholders of the Corporation; and

(3) No amendment, modification or change may be made which will increase the amount which may be appropriated to the incentive compensation account as hereinabove provided without the prior approval of the stockholders of the Corporation.

The fact that a Director is, has been or will be a participant in the Plan shall not disqualify him from voting as a Director for or against an amendment, modification, change, suspension or termination of the Plan or any part thereof. Any such amendment, modification, change, suspension or termination of the Plan shall be reported to the stockholders by the Board of Directors at the next annual meeting of stockholders.

(b) The stockholders entitled to vote, by vote of a majority of the shares outstanding, at any Annual Meeting or any Special Meeting called for that purpose, may from time to time amend, modify, change, suspend or terminate in whole or in part and, if terminated, may reinstate, any or all of the provisions of the Plan except that no amendment, modification, change, suspension or termination may, without its consent, affect the payment to any participant of any participation awarded to him prior to the effective date of such amendment, modification, change, suspension or termination.

SECTION XI - General

(a) No participant shall have any right with respect to any award or allotment under the Plan until such award or allotment shall have been paid to him or written notice thereof delivered to him.

(b) The place of administration of the Plan shall be conclusively deemed to be within the State of Delaware and the validity, construction, interpretation, administration and effect of the Plan and of the rules and regulations and the rights of any and all persons having or claiming to have an interest therein or thereunder shall be governed by and determined exclusively and solely in accordance with the laws of the State of Delaware.

(c) The selection of any employee for participation in the Plan shall not give such participant any right to be retained in the employ of the Corporation, and the right and power of the Corporation to dismiss or discharge any participant is specifically reserved. No participant or any person claiming under or through him shall have any right or interest, whether vested or otherwise, in this Plan or in the Incentive Compensation Account or in any award or allotment hereunder unless and until all of the terms, conditions and provisions of the Plan that affect such participant have been complied with as specified herein.

(d) No member of the Board of Directors or the Committee shall be liable for any act, whether of commission or omission, taken by any other member or by an officer, agent or employee of the Corporation nor, except in circumstances involving his own bad faith, for anything done or omitted to be done by himself.

SECTION XII - Effective Date

The Plan shall be effective commencing with December 1, 1952, subject, however, to the approval of the stockholders of the Corporation during the year 1954.

4. The investment of the company in Hiller Helicopters Debentures was then discussed.

5. At the request of the Chairman, General McNarney next made a detailed report on the progress of the company. Subject to existing security regulations, General McNarney's report was ordered filed with the records of the meeting.

6. The financial statements as of October 31, 1953 were then received, commented on by the Chairman, discussed and filed.

At this point Messrs. Alvord and McDonnell retired from the room and upon invitation, G. T. Bovee, Treasurer of the company, entered the room.

7. The Chairman next stated that he had reviewed the charitable contributions authorized at the last meeting of the Board

(c) The selection of any employee for participation in the Plan shall not give such participant any right to be retained in the employ of the Corporation and the right and power of the Corporation to dismiss or discharge any participant is specifically reserved. No participant or any person claiming under or through him shall have any right or interest, whether vested or otherwise, in this Plan or in the incentive compensation account or in any award or allotment hereunder unless and until all of the terms, conditions and provisions of the Plan that affect such participant have been complied with as specified herein.

(d) No member of the Board of Directors or the Committee shall be liable for any act, whether of commission or omission, taken by any other member or by an officer, agent or employee of the Corporation nor, except in circumstances involving his own bad faith, for anything done or omitted to be done by himself.

SECTION XII - Effective Date

The Plan shall be effective commencing with December 1, 1952, subject, however, to the approval of the stockholders of the Corporation during the year 1952.

1. The investment of the money in Miller Holdings

Debitations was then discussed.

2. At the request of the Chairman, General Holdings next made a detailed report on the progress of the company. Subject to existing security regulations, General Holdings' report was ordered filed with the records of the meeting.

3. The financial statements as of October 31, 1952 were then received, commented on by the Chairman, discussed and filed. At this point Messrs. Alford and Wohlhaupter retired from the room and upon invitation, S. J. Boyce, Treasurer of the company, entered the room.

4. The Chairman next stated that he had reviewed the charitable contributions authorized at the last meeting of the Board

of Directors and that in view of the company's forecasted earnings for the current fiscal year and the next year, he suggested it might be appropriate to supplement the said list with the following additional contributions, payment to be made in the current fiscal year:

<u>General Office</u>	<u>Amount</u>
Air Force Aid Society	\$ 7,000
Arthritis and Rheumatism Foundation	10,000
The David, Josephine and Winfield Baird Foundation, Inc.	30,000
Winfield Baird Foundation	30,000
The Lansing Foundation, Inc.	15,000
Lovelace Foundation for Medical Education and Research	18,000
University of Colorado	5,000
San Diego Hospital Association Building Fund	100,000
Total	<u>\$215,000</u>

After discussion and upon a motion duly made, seconded and unanimously carried, the above listed additional contributions were approved for payment in the current fiscal year.

8. The Chairman then referred to the fact that the compensation to be paid to Floyd B. Odlum for his services to Convair for the full period during which he served as Chairman should be determined and the obligation discharged.

The Chairman recommended that a payment of \$24,000. be made to Floyd B. Odlum for such services during the current fiscal year and that consideration of this matter as to prior fiscal years be deferred until the next meeting of the Board. He stated Mr. Odlum was in accord.

Upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

of directors and that in view of the company's reported earnings for the current fiscal year and the next year, he suggested it might be appropriate to supplement the said list with the following additional contributions, payment to be made in the current fiscal year:

Amount	General Office
\$ 7,000	Air Force Aid Society
10,000	Arthritis and Rheumatism Foundation
30,000	The David, Josephine and Winifred
30,000	Belmont Foundation, Inc.
30,000	Winifred Belmont Foundation
15,000	The Lanning Foundation, Inc.
15,000	Lovelace Foundation for Medical
15,000	Education and Research
5,000	University of Colorado
100,000	San Diego Hospital Association
500,000	Building Fund
<u>\$845,000</u>	<u>Total</u>

After discussion and upon a motion duly made, seconded and unanimously carried, the above listed additional contributions were approved for payment in the current fiscal year.

3. The Chairman then referred to the fact that the compensation to be paid to Floyd B. Olson for his services as Governor for the full period during which he served as Chairman should be determined and the obligation discharged.

The Chairman recommended that a payment of \$25,000 be made to Floyd B. Olson for such services during the current fiscal year and that consideration of this matter be postponed until the next meeting of the Board. He stated Mr. Olson was in accord.

Upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that \$24,000. be paid to Floyd B. Odum for services rendered to the company during the current fiscal year as Chairman of the Board.

At this point, upon invitation, R. C. Sebold, Vice President, J. G. Zevely, Director of Contracts, E. P. Wohl, Executive Assistant to the President, E. F. Jones, Assistant to the President, and C. F. Horne, Division Manager, Pomona Division of the company, entered the room.

9. At the request of the Chairman, J. G. Zevely next reviewed the Model 340 program.

10. Mr. Naish then presented a request for an advertising appropriation for 1954. After discussion and upon a motion duly made, seconded and unanimously carried, an advertising appropriation for the fiscal year 1954, aggregating \$499,958.49, was approved.

11. Mr. Naish and Mr. Sebold next presented an engineering research and development budget for 1954. After discussion and upon a motion duly made, seconded and unanimously carried, an engineering research and development budget for the fiscal year 1954, aggregating \$850,000, was approved.

12. The Chairman then stated that the next regular meeting of the Board was scheduled to be held on a holiday and he suggested that consideration be given to the selection of another date for holding the next meeting, which would be a special (in lieu of regular) meeting. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that instead of holding the next regular meeting of the Board of Directors of this company on the scheduled date, a special (in lieu of regular)

RESOLVED that \$5,000 be paid to Lloyd E. Gellum for services rendered to the company during the current fiscal year as Chairman of the Board.

At this point, upon invitation, H. B. Sobol, Vice President,

J. B. Kevley, Director of Contracts, E. F. Mohl, Executive Assistant

to the President, E. F. Jones, Assistant to the President, and

O. F. Harris, Division Manager, Finance Division of the company,

entered the room.

At the request of the Chairman, J. B. Kevley next

reviewed the Model No. 3 program.

10. Mr. Mohl then presented a request for an advertising

agreement for 1934. After discussion and upon a motion duly

made, seconded and unanimously carried, an advertising agreement

for the fiscal year 1934, aggregating \$5,000.00, was approved.

11. Mr. Sobol and Mr. Sobol next presented an engineering

research and development budget for 1934. After discussion and upon

a motion duly made, seconded and unanimously carried, an engineering

research and development budget for the fiscal year 1934, aggregating

\$250,000, was approved.

12. The Chairman then stated that the next regular meeting

of the Board was scheduled to be held on a holiday and he suggested

that consideration be given to the selection of another date for

holding the next meeting, which would be a special (in lieu of regular)

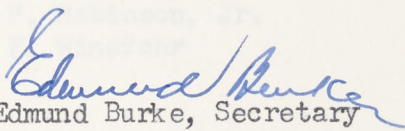
meeting. After consideration and upon a motion duly made, seconded

and unanimously carried, the following resolution was adopted:

RESOLVED that instead of holding the next regular meeting of the Board of Directors of this company on the scheduled date, a special (in lieu of regular)

meeting of the Board shall be held at 2:30 p.m. on Friday, December 18, 1953, at 445 Park Avenue, New York, New York.

13. There being no further business to come before the meeting, it was thereupon adjourned, after which Mr. Horne, with the assistance of W. A. Stevenson, Senior Project Engineer, A. E. Taylor, Jr. and C. Y. Thomson, Electronics Engineers of the Pomona Division, made a presentation relating to products of the Pomona Division.


Edmund Burke, Secretary

Meeting of the Board shall be held at 2:30 p.m. on
Friday, December 18, 1953, at 365 Park Avenue, New
York, New York.

13. There being no further business to come before the
meeting, it was thereupon adjourned, after which Mr. Harbo, with
the assistance of W. A. Stevenson, Senior Project Engineer,
A. E. Taylor, Jr. and C. T. Thomson, Electronics Engineers of the
Personnel Division, made a presentation relating to projects of the
Personnel Division.

[Signature]
Edward Burke, Secretary

109

November 27, 1953

To: Ellsworth C. Alvord
George W. Codrington
LaMotte T. Cohu
Lambert J. Gross
Roger I. Harris
John D. Hertz (Cary, Illinois,
New York City and
Canoga Park, California)
S. R. Inch
I. M. Laddon

Henry M. Marx
Donald N. McDonnell
Joseph T. McNarney
Clifton M. Miller
J. V. Naish
Frank Pace, Jr.
R. C. Patterson
Lawrence B. Richardson
O. P. Robinson, Jr.
R. F. Windfohr

Mr. Hopkins has instructed me to notify you that a special (in lieu of regular) meeting of the Board of Directors of this company will be held at 2:30 p.m. Eastern Standard Time on Friday, December 18, 1953, on the 21st floor at 445 Park Avenue, New York, New York, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Sincerely

Edmund Burke, Secretary

November 27, 1953

Henry M. Marx
Donald W. Hollmann
Joseph T. McHenry
Clifford H. Miller
J. V. Walsh
Frank Ross, Jr.
E. C. Peterson
Lawrence B. Richardson
O. P. Robinson, Jr.
R. F. Windsor

For: Ellsworth C. Alvord
George W. Goddington
Lester T. Cohn
Lester J. Gross
Roger J. Harris
John R. Harris (Guy, Illinois)
New York City and
General Post, California)
R. F. Lusk
I. M. Lusk

Mr. Hopkins has indicated as to notify you that
a special (in lieu of regular) meeting of the Board of
Directors of this company will be held at 2:30 p.m. Eastern
Standard Time on Friday, December 18, 1953, on the 21st floor
at 115 Park Avenue, New York, New York, for the transaction
of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to
tell us whether you will attend the meeting.

Sincerely

Edmund Burke, Secretary

MINUTES OF THE SPECIAL (IN LIEU OF REGULAR)
MEETING OF THE BOARD OF DIRECTORS OF
CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD FRIDAY, DECEMBER 18, 1953

A special (in lieu of regular) meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at 445 Park Avenue, New York, New York, on Friday, December 18, 1953, at 2:30 p.m. Eastern Standard Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

John Jay Hopkins	Donald N. McDonnell
Ellsworth C. Alvord	Joseph T. McNarney
George W. Codrington	Clifton M. Miller
LaMotte T. Cohu	J. V. Naish
Lambert J. Gross	Frank Pace, Jr.
Roger I. Harris	R. C. Patterson
John D. Hertz	L. B. Richardson
Henry M. Marx	O. P. Robinson, Jr.

The following directors were absent:

S. R. Inch
I. M. Laddon
R. F. Windfohr

Robert B. Watts, Vice President and General Counsel, was present by invitation.

John Jay Hopkins, Chairman, presided at the meeting and Edmund Burke, Secretary, recorded the minutes.

1. The Secretary presented the minutes of the regular meeting of the Board of Directors held on November 20, 1953. After due consideration the minutes of this meeting were approved as recorded.

MINUTES OF THE SPECIAL (IN LIEU OF REGULAR)
MEETING OF THE BOARD OF DIRECTORS OF
CONSOLIDATED UNITED AIRCRAFT CORPORATION
HELD VIRTUALLY, DECEMBER 18, 1953

A special (in lieu of regular) meeting of the Board of Directors of Consolidated United Aircraft Corporation was held at 145 Park Avenue, New York, New York, on Friday, December 18, 1953, at 2:30 p.m. Eastern Standard Time, pursuant to notice given to all the directors in accordance with the requirements of the Bylaws. The following directors were present at the meeting and constituted a quorum for the transaction of business:

Donald W. Robinson, Jr.	John Jay Hopkins
Joseph T. Wetherby	Elsworth C. Alvord
Clifton M. Miller	George W. Coburn
J. V. Walsh	Robert T. Conn
Frank Pace, Jr.	Robert J. Gross
R. C. Patterson	Robert I. Harris
L. B. Richardson	John D. Harris
G. P. Robinson, Jr.	Harry H. Kamm

The following directors were absent:

S. R. Inch
I. M. Lashon
R. F. Windford

Robert B. Welch, Vice President and General Counsel, was

present by invitation.

John Jay Hopkins, Chairman, presided at the meeting and

Donald Burke, Secretary, recorded the minutes.

1. The Secretary presented the minutes of the regular

meeting of the Board of Directors held on November 20, 1953. After

due consideration the minutes of this meeting were approved as

recorded.

2. At the request of the Chairman, General McNarney next made a detailed report on the progress of the company. Subject to existing security regulations, General McNarney's report was ordered filed with the records of the meeting.

3. Mr. Naish then presented a request for a capital expenditures appropriation for 1954. After discussion and upon a motion duly made, seconded and unanimously carried, a capital expenditures appropriation for the fiscal year 1954, aggregating \$2,200,000, was approved, together with a carry-over of approximately \$250,000 from previous fiscal years.

4. The Chairman next reviewed forecasts relating to the finances of the company.

5. At the request of the Chairman, Mr. Naish then reviewed the Model 340 program.

6. Mr. Naish next presented a request for a manufacturing research and development program budget for 1954. After discussion and upon a motion duly made, seconded and unanimously carried, a manufacturing research and development program budget for the fiscal year 1954, aggregating \$325,843, was approved, and the use in 1954 of the unexpended portion of the 1953 manufacturing research and development program budget was authorized.

7. The Chairman then stated that while the Board, at a meeting held on November 20, 1953, had taken action with reference to compensation then to be paid to Floyd B. Odlum for services rendered to the company during the current fiscal year as Chairman of the Board, action had not been taken with reference to his

5. At the request of the Chairman, General Koenig next made a detailed report on the progress of the company's subject to existing security regulations, General Koenig's report was ordered filed with the records of the meeting.
6. Mr. Ketch then presented a request for a capital expenditures appropriation for 1954. After discussion and upon a motion duly made, seconded and unanimously carried, a capital expenditures appropriation for the fiscal year 1954, aggregating \$2,100,000, was approved, together with a carry-over of approximately \$250,000 from previous fiscal years.
7. The Chairman next reviewed forecasts relating to the finances of the company.
8. At the request of the Chairman, Mr. Ketch then reviewed the Model 350 program.
9. Mr. Ketch next presented a request for a manufacturing research and development program budget for 1954. After discussion and upon a motion duly made, seconded and unanimously carried, a manufacturing research and development program budget for the fiscal year 1954, aggregating \$125,000, was approved, and the sum in 1953 of the unexpended portion of the 1953 manufacturing research and development program budget was authorized.
10. The Chairman then stated that while the Board, at a meeting held on November 20, 1953, had taken action with reference to compensation then to be paid to Floyd B. Gilman for services rendered to the company during the current fiscal year as Chairman of the Board, action had not been taken with reference to his

compensation for services rendered as Chairman of the Board in prior fiscal years. After discussion and consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED, that a committee composed of John D. Hertz and S. R. Inch be appointed to review and make recommendations to the Board with reference to compensation to be paid to Floyd B. Odum for services rendered as Chairman of the Board in the fiscal years ended November 30, in 1947, 1948, 1949, 1950, 1951 and 1952.

8. The investment of the company in Hiller Helicopters securities was next discussed and it was suggested that consideration be given to acquiring those shares of common stock of Hiller Helicopters presently held by Stanley Hiller, Jr. After discussion and upon a motion duly made, seconded and unanimously carried, a committee composed of Messrs. McNarney (Chairman), Codrington, Laddon, Miller and Pace was appointed to examine the Hiller Helicopters situation and report to the Board on the advisability of acquiring the shares of common stock in that company presently held by Stanley Hiller, Jr.

9. General McNarney then presented a request for a contribution of \$7000 to be made to the San Diego Community Chest, as additional to the contribution of \$50,000 which was approved by the Board at a meeting held on September 18, 1953. After consideration and upon a motion duly made, seconded and unanimously carried, an additional contribution of \$7000 to the San Diego Community Chest was approved.

10. The Chairman stated that a possible merger of the company with General Dynamics Corporation, holder of 17% of the

committee for review considered as Chairman of the Board in prior fiscal years. After discussion and consideration and upon a motion duly made, seconded and unanimously carried, the

following resolution was adopted:

RESOLVED, that a committee composed of John P. Hertz and S. R. Linn be appointed to review and make recommendations to the Board with reference to compensation to be paid to Floyd B. Olson for services rendered as Chairman of the Board in the fiscal years ended November 30, in 1947, 1948, 1949, 1950, 1951 and 1952.

8. The investment of the company in Miller Helicopters securities was next discussed and it was suggested that consideration be given to acquiring those shares of common stock of Miller

Helicopters presently held by Stanley Miller, Jr. After discussion and upon a motion duly made, seconded and unanimously carried, a committee composed of Messrs. Hohns, Hohns, Hohns, Ladd, Miller and Pace was appointed to examine the Miller Helicopters

situation and report to the Board on the advisability of acquiring the shares of common stock in that company presently held by Stanley Miller, Jr.

9. General Hohns then presented a request for a contribution of \$200 to be made to the San Diego Community Chest, as

additional to the contribution of \$50,000 which was approved by the Board at a meeting held on September 18, 1952. After consideration and upon a motion duly made, seconded and unanimously carried, an

additional contribution of \$200 to the San Diego Community Chest was approved.

10. The Chairman stated that a possible merger of the company with General Dynamics Corporation, holder of 17% of the

outstanding stock of the company, had been suggested for consideration by a number of the more substantial stockholders of the company, as well as by bankers for the company and General Dynamics Corporation. He said that such a step might well have merit and it might be advisable to appoint a committee to study the matter and to report to the Board. He stated further that the committee should have the power to engage the services of such experts as it might feel advisable. The Chairman also stated that if such committee were appointed, he would recommend like action at the meeting of the Board of Directors of General Dynamics Corporation to be held next week.

After full discussion and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED, that Messrs. Donald N. McDonnell, Chairman, S. R. Inch and Richard C. Patterson, Jr., with Mr. Ellsworth C. Alvord as Secretary, be and hereby are appointed as a Committee of the Board of Directors of the company to report at an early date to the Board of Directors in respect of the advisability and feasibility of an amalgamation of the company with General Dynamics Corporation, and if such step be held advisable in respect of the terms, conditions and methods under which such action should be accomplished, with full power in the Committee to engage the services of such experts as it may deem necessary or advisable in respect of the foregoing.

11. The Chairman then stated that the next regular meeting of the Board was scheduled to be held on January 22, 1953. He further stated that this would not be a convenient meeting date for a number of directors, and suggested that consideration be

understanding of the company, had been suggested for consideration by a number of the more substantial stockholders of the company, as well as by bankers for the company and General Dynamics Corporation. He said that such a step might well have been taken and it might be advisable to appoint a committee to study the matter and to report to the Board. He stated further that the committee should have the power to engage the services of such experts as it might feel advisable. The Chairman also stated that if such committees were appointed, he would recommend immediate action at the meeting of the Board of Directors of General Dynamics Corporation to be held next week.

After full discussion and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

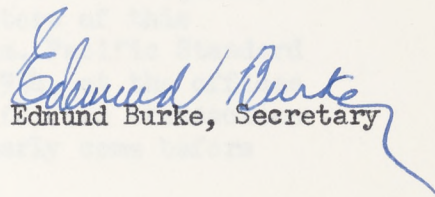
RESOLVED, that Messrs. Donald W. McDermott, Chairman, E. R. Inch and Richard C. Patterson, Jr., with Mr. Elsworth C. Alford as Secretary, be and hereby are appointed as a Committee of the Board of Directors of the company to report at an early date to the Board of Directors in respect of the advisability and feasibility of an amalgamation of the company with General Dynamics Corporation, and if such step be held advisable in respect of the terms, conditions and methods under which such action should be recommended, with full power in the Committee to engage the services of such experts as it may deem necessary or advisable in respect of the foregoing.

11. The Chairman then stated that the next regular meeting of the Board was scheduled to be held on January 25, 1953. He further stated that this would not be a convenient meeting date for a number of directors, and suggested that consideration be

given to the selection of another date for holding the next meeting, which would be a special (in lieu of regular) meeting. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED, that instead of holding the next regular meeting of the Board of Directors of this company on the scheduled date, a special (in lieu of regular) meeting of the Board shall be held at 11 a.m. on Monday, January 25, 1954, at the offices of the company in San Diego, California.

12. There being no further business to come before the meeting, it was thereupon adjourned.


Edmund Burke, Secretary

12/28/23

gives for the selection of another date for holding the next meeting, which would be a special (in lieu of regular) meeting.

After consideration and upon a motion duly made, seconded and

unanimously carried, the following resolution was adopted:

RESOLVED, that instead of holding the next regular meeting of the Board of Directors of this company on the scheduled date, a special (in lieu of regular) meeting of the Board shall be held at 11 a.m. on Monday, January 28, 1924, at the offices of the company in San Diego, California.

12. There being no further business to come before

the meeting, it was thereupon adjourned.

Charles H. Burke, Secretary

January 6, 1954

To: Joseph T. McNarney S. R. Inch
J. V. Naish I. M. Laddon
LaMotte T. Cohu

Mr. Hopkins has instructed me to notify you that a special (in lieu of regular) meeting of the Board of Directors of this company will be held at 11 a.m. Pacific Standard Time on Monday, January 25, 1954, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Sincerely

Edmund Burke, Secretary

January 6, 1934

To: Joseph T. Kohnen
A. V. Walsh
L. R. Linton
Lafayette T. Cain

Mr. Kohnen has instructed me to
notify you that a special (in line of regular)
meeting of the Board of Directors of this
company will be held at 11 a.m. Pacific Standard
Time on Monday, January 22, 1934, at the offices
of the company in San Diego, for the transaction
of any business that may properly come before
the meeting.

Please use the accompanying copy of
this letter to tell us whether you will attend
the meeting.

Sincerely

Edward Burke, Secretary

January 6, 1954

To: Ellsworth C. Alvord
George W. Codrington
Lambert J. Gross
Roger I. Harris
John D. Hertz (Cary, Illinois
and Canoga Park, California)
Henry M. Marx

Donald N. McDonnell
Clifton M. Miller
Frank Pace, Jr.
R. C. Patterson
Lawrence B. Richardson
O. P. Robinson, Jr.
R. F. Windfohr

Mr. Hopkins has instructed me to notify you that a special (in lieu of regular) meeting of the Board of Directors of this company will be held at 11 a.m. Pacific Standard Time on Monday, January 25, 1954, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

A room will be reserved for you at the La Jollan Hotel for occupancy on January 24, 1954. If you plan on attending the meeting please indicate whether the room will be required.

Sincerely

Edmund Burke, Secretary

January 6, 1935

Donald E. McDermott
Clifton W. Miller
Frank Pace, Jr.
R. G. Patterson
Lawrence E. Richardson
C. F. Robinson, Jr.
E. F. Windley

For: Elsworth C. Alford
George W. Goddard
Lambert J. Green
Roger J. Harris
John D. Harts (Gory, Illinois)
and George Park, California
Henry H. Marx

Mr. Harkins has instructed me to notify you that
a special (in lieu of regular) meeting of the Board of Directors
of this company will be held at 11 a.m. Pacific Standard Time on
Monday, January 22, 1935, at the office of the company in San
Diego, for the transaction of any business that may properly
come before the meeting.

Please use the accompanying copy of this letter to tell
me whether you will attend the meeting.

A room will be reserved for you at the La Jolla Hotel
for occupancy on January 22, 1935. If you plan on attending the
meeting please indicate whether the room will be required.

Sincerely

Edward Burke, Secretary

MINUTES OF THE SPECIAL (IN LIEU OF REGULAR)
MEETING OF THE BOARD OF DIRECTORS OF
CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD MONDAY, JANUARY 25, 1954

A special (in lieu of regular) meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at the general offices of the company in San Diego, California, on Monday, January 25, 1954, at 11:00 a.m. Pacific Standard Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

George W. Codrington	Joseph T. McNarney
LaMotte T. Cohu	Clifton M. Miller
Lambert J. Gross	J. V. Naish
Roger I. Harris	Frank Pace, Jr.
John D. Hertz	R. C. Patterson
John Jay Hopkins	L. B. Richardson
S. R. Inch	O. P. Robinson, Jr.
I. M. Laddon	R. F. Windfohr
Henry M. Marx	

The following directors were absent:

E. C. Alvord
Donald N. McDonnell

Robert B. Watts, Vice President and General Counsel, and D. T. Fisher, Controller, were present by invitation.

John Jay Hopkins, Chairman, presided at the meeting, and Edmund Burke, Secretary, recorded the minutes.

1. The Chairman suggested that consideration be given to the declaration of a quarterly dividend on the common stock of the

MINUTES OF THE SPECIAL (IN LIEU OF REGULAR)
MEETING OF THE BOARD OF DIRECTORS OF
CONSOLIDATED VULCAN AIRCRAFT CORPORATION
HELD MONDAY, JANUARY 22, 1934

A special (in lieu of regular) meeting of the Board of Directors of Consolidated Vulcan Aircraft Corporation was held at the general offices of the company in San Diego, California, on Monday, January 22, 1934, at 11:00 a.m. Pacific Standard Time, pursuant to notice given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

George W. Cunningham	Joseph T. McFarland
Laurette T. John	Clifton M. Miller
Lawrence J. Gross	J. V. Halsey
Robert J. Harris	Frank Ross, Jr.
John B. Hayes	E. C. Patterson
John Jay Hopkins	L. E. Richardson
E. R. Inch	G. F. Robinson, Jr.
I. W. Latham	H. F. Winkler
Henry W. Marx	

The following directors were absent:

- E. C. Alford
- Donald H. McDowell

Robert H. Watts, Vice President and General Counsel, and J. T. Fisher, Controller, were present by invitation. John Jay Hopkins, Chairman, presided at the meeting, and Edmund Burke, Secretary, recorded the minutes.

1. The Chairman suggested that consideration be given to the declaration of a quarterly dividend on the common stock of the

company. He presented to the meeting a certificate of the Controller showing that a surplus existed sufficient in amount for the declaration of the proposed quarterly dividend on the common stock. After discussion and full consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that a quarterly dividend of 45 cents a share on the outstanding fully-paid common stock of this company be and it hereby is declared and ordered paid on February 25, 1954 to the holders of said common stock of record at the close of business on February 11, 1954; and be it further

RESOLVED that pursuant to the Executive Officers' and Key Employees' Stock Purchase Plan of this company, a proportion of the foregoing dividend based upon the percentage of the total subscription consideration which has actually been paid on such partly-paid shares of the common stock of this company as are outstanding under the aforesaid Plan at the close of business on February 11, 1954, is hereby declared and ordered paid on February 25, 1954, to the holders of said partly-paid shares of common stock of record at the close of business on February 11, 1954, as certified as to the holders, the number of partly-paid shares held by each on said date and the percentages paid on said shares held by them on or before said date, to the Dividend Disbursing Agent, by the Secretary or an Assistant Secretary of the company; and be it further

RESOLVED that the officers of the company be and they hereby are authorized and instructed to deliver to The Chase National Bank of the City of New York, the Dividend Disbursing Agent of the company, the funds required to make the foregoing cash disbursements, and The Chase National Bank of the City of New York, acting as Dividend Disbursing Agent, is instructed to disburse the dividends to the holders of record in accordance with the terms of the foregoing resolutions.

2. The Secretary next presented the minutes of the meeting of the Board of Directors held on December 18, 1953. After due consideration the minutes of this meeting were approved as recorded.

company. It presented to the meeting a certificate of the Controller showing that a surplus existed sufficient in amount for the declaration of the proposed quarterly dividend on the common stock. After discussion and full consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that a quarterly dividend of 15 cents a share on the outstanding fully-paid common stock of this company be and it hereby is declared and ordered paid on February 25, 1925 to the holders of said common stock of record at the close of business on February 11, 1925; and be it further

RESOLVED that payment to the Executive Officers and Key Employees' Stock Purchase Plan of this company, a proportion of the foregoing dividend based upon the percentage of the total subscription consideration which has actually been paid on each partly-paid share of the common stock of this company as are outstanding under the aforesaid Plan at the close of business on February 11, 1925, is hereby declared and ordered paid on February 25, 1925, to the holders of said partly-paid shares of common stock of record at the close of business on February 11, 1925, as certified as to the holders, the number of partly-paid shares held by each on said date and the percentage paid on said shares held by them on or before said date, to the Division Disbursing Agent, by the Secretary or an Assistant Secretary of the company; and be it further

RESOLVED that the officers of the company do and they hereby are authorized and instructed to deliver to the Chase National Bank of the City of New York, the Division Disbursing Agent of the company, the funds required to make the foregoing cash disbursements, and the Chase National Bank of the City of New York, acting as Division Disbursing Agent, is instructed to disburse the dividends to the holders of record in accordance with the terms of the foregoing resolutions.

2. The Secretary next presented the minutes of the meeting

of the Board of Directors held on December 18, 1923. After due con-

sideration the minutes of this meeting were approved as recorded.

3. It was then suggested that the action of Robert B. Watts, Vice President, in executing a proxy granting to Walter J. Jason, Wm. E. Valk, Horace G. Hitchcock, Jas. P. Murray, Charles Kingsley, or any one of them, the right to vote the stock owned by the company in Manufacturers Aircraft Association, Inc., at the annual meeting of the stockholders of that association which was scheduled to be held on January 26, 1954, be ratified. After consideration and upon a motion duly made, seconded and unanimously carried, the action of Robert B. Watts, Vice President, in executing this proxy, was ratified and approved.

4. It was next stated that the annual rate of salary of J. E. Arnold, Division Manager, Daingerfield Division, had been increased from \$16,000 to \$17,000, effective November 3, 1952, and had been further increased to \$18,000, effective February 16, 1953, and it was suggested that these increases in salary be ratified by the Board. Upon a motion duly made, seconded and unanimously carried, the increases in the annual rate of salary of J. E. Arnold, Division Manager, Daingerfield Division, to \$17,000, effective November 3, 1952, and to \$18,000, effective February 16, 1953, were ratified and approved.

5. It was then proposed that the salaries of G. T. Bovee, Treasurer, Edmund Burke, Secretary, and J. E. Arnold, Division Manager, Daingerfield Division, be increased to conform with the 4% general increase in salaries which had been made effective on or about January 1, 1954. Upon a motion duly made, seconded and unanimously carried, the annual rates of salaries of G. T. Bovee, Treasurer, and Edmund Burke,

3. It was then suggested that the action of Robert B. Water, Vice President, in executing a proxy granting to Walter L. Isaac, Mr. E. Vail, Bruce G. Hitchcock, Joe F. Murray, Charles Kinsley, or any one of them, the right to vote the stock owned by the company in Manufacturers Aircraft Association, Inc., at the annual meeting of the stockholders of that association which was scheduled to be held on January 26, 1952, be ratified. After consideration and upon a motion duly made, seconded and unanimously carried, the action of Robert B. Water, Vice President, in executing this proxy, was ratified and approved.

4. It was next stated that the annual rate of salary of J. E. Arnold, Division Manager, Dayton-Wright Division, had been increased from \$25,000 to \$27,000, effective November 1, 1952, and had been further increased to \$28,000, effective February 16, 1953, and it was suggested that these increases in salary be ratified by the Board. Upon a motion duly made, seconded and unanimously carried, the increases in the annual rate of salary of J. E. Arnold, Division Manager, Dayton-Wright Division, to \$27,000, effective November 1, 1952, and to \$28,000, effective February 16, 1953, were ratified and approved.

5. It was then proposed that the salaries of G. T. Bovee, Treasurer, Edward Burke, Secretary, and J. E. Arnold, Division Manager, Dayton-Wright Division, be increased to conform with the general increase in salaries which had been made effective on or about January 1, 1952. Upon a motion duly made, seconded and unanimously carried, the annual rates of salaries of G. T. Bovee, Treasurer, and Edward Burke,

Secretary, were increased in the amounts of \$780 and \$420 respectively, effective January 1, 1954, and the annual rate of salary of J. E. Arnold, Division Manager, Daingerfield Division, was increased \$720, effective December 28, 1953, these annual rates of salaries as so increased to continue in effect until further action by the Board of Directors of the company.

6. At the request of the Chairman, General McNarney next made a detailed report on the progress of the company. Subject to existing security regulations, General McNarney's report was ordered filed with the records of the meeting.

7. Upon invitation, Robert H. Biron, Vice President, then entered the room and made a report on the company's industrial relations programs, after which he retired from the room.

8. Upon invitation, J. G. Zevely, Director of Contracts, next entered the room and reviewed the Model 340 program. It was stated that effective December 23, 1953, procurement activities relative to long lead-time items for the Model 340 airplane program were suspended and renegotiations with all suppliers of such items have been completed at a maximum cost liability to the company of \$1,057.68.

After this review of the Model 340 program Mr. Zevely retired from the room.

9. The preliminary financial statements as of November 30, 1953 were then received, commented on by the Chairman, discussed and filed.

Secretary, were increased in the amounts of \$750 and \$850 respectively, effective January 1, 1951, and the annual rate of salary of J. E. Arnold, Division Manager, Balingfield Division, was increased \$750, effective December 30, 1951, these annual rates of salaries as so increased to continue in effect until further action by the Board of Directors of the company.

6. At the request of the Chairman, General McNamara next made a detailed report on the progress of the company. Subject to existing security regulations, General McNamara's report was ordered filed with the records of the meeting.

7. Upon invitation, Robert H. Blum, Vice President, then entered the room and made a report on the company's industrial relations programs, after which he retired from the room.

8. Upon invitation, E. G. Jewell, Director of Contracts, next entered the room and reviewed the Model 350 program. It was stated that effective December 31, 1951, procurement activities relative to long lead-time items for the Model 350 airplane program were suspended and negotiations with all suppliers of such items have been completed at a maximum cost liability to the company of \$1,057.68.

After this review of the Model 350 program Mr. Jewell

retired from the room.

9. The preliminary financial statements as of November 30, 1951 were then received, commented on by the Chairman, discussed and filed.

10. At the request of the Chairman, General McNarney as Chairman of the committee appointed to examine the Hiller Helicopter situation and report to the Board on the advisability of acquiring the shares of common stock in that company presently held by Stanley Hiller, Jr., next made a report on the studies of the committee to date, and stated that a further report would be made following the completion of certain inquiries presently under way.

11. The committee to determine and make recommendations to the Board with respect to the compensation to be paid to Floyd B. Odlum for his services as Chairman of the Board for the period from the time he became Chairman in November 1947 to November 30, 1952, then submitted its report. After discussion and full consideration and upon motion duly seconded, it was

RESOLVED that Floyd B. Odlum, who served as Chairman of this Board from November 20, 1947 to November 30, 1952, without current payment of any compensation therefor and on the understanding that said compensation would in due time be fixed by this Board, be paid \$135,000.00 for his services as Chairman for said period; and the officers of this company are hereby authorized and instructed to make such payment to Mr. Odlum.

12. The Chairman next suggested that consideration be given to a proposal to engage the firm of Alvord and Alvord, World Center Building, Washington, D. C., for legal services on the basis of a retainer fee of \$25,000 for the year beginning January 1, 1954. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

10. At the request of the Chairman, General Kellaway

as Chairman of the committee appointed to examine the Bill
Helicopter situation and report to the Board on the expediency
of acquiring the stock of common stock in that company presently
held by Stanley Miller, Jr., next made a report on the situation of
the committee to date, and stated that a further report would be
made following the completion of certain inquiries presently under
way.

11. The committee to determine and make recommendations
to the Board with respect to the compensation to be paid to Floyd B.
Olson for his services as Chairman of the Board for the period from
the time he became Chairman in November 1947 to November 30, 1952,
then submitted its report. After discussion and full consideration
and upon motion duly seconded, it was

RESOLVED that Floyd B. Olson, who served as Chairman
of this Board from November 30, 1947 to November 30, 1952,
without current payment of any compensation therefor and
on the understanding that said compensation would in the
time be fixed by this Board, be paid \$15,000.00 for his
services as Chairman for said period; and the officers of
this company are hereby authorized and instructed to make
such payment to Mr. Olson.

12. The Chairman next suggested that consideration be given
to a proposal to engage the firm of Alford and Alford, World Center
Building, Washington, D. C., for legal services on the basis of a
retainer fee of \$25,000 for the year beginning January 1, 1953.
After consideration and upon a motion duly made, seconded and
unanimously carried, the following resolution was adopted:

RESOLVED that the officers of the company be and they hereby are authorized to engage Alvord and Alvord, World Center Building, Washington, D. C., for legal services on the basis of a retainer fee of \$25,000 for the year beginning January 1, 1954.

At this point Mr. Marx retired from the room.

13. The Chairman then proposed that consideration be given to the payment of \$12,000 to Kramer, Marx, Greenlee & Backus, 50 Broadway, New York, New York, for legal services rendered to the company during the period beginning May 8, 1953 and ended December 31, 1953. The Chairman further suggested that consideration be given to arranging for the legal services of this firm on the basis of a retainer fee at the rate of \$1,000 per month beginning January 1, 1954. Upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that a fee of \$12,000 be paid to Kramer, Marx, Greenlee & Backus, 50 Broadway, New York, New York, for legal services rendered during the period beginning May 8, 1953 and ended December 31, 1953; and be it further

RESOLVED that the officers of the company be and they hereby are authorized to engage Kramer, Marx, Greenlee & Backus, 50 Broadway, New York, New York, for legal services on the basis of a retainer fee at the rate of \$1,000 per month beginning January 1, 1954.

At this point Mr. Marx returned to the room.

14. General McNarney then presented a request for a contribution of \$1,000 to be made to Flight Safety Foundation, and a request for a contribution of \$9,000 to be made to the Young Men's Christian Association for a rehabilitation and construction program

RESOLVED that the officers of the company be and they hereby are authorized to engage Albert and Albert, 30 Broadway, New York, New York, for legal services on the basis of a retainer fee of \$25,000 for the year beginning January 1, 1952.

At this point Mr. Marx returned to the room.

11. The Chairman then proposed that consideration be given to the payment of \$15,000 to Kinner, Marx, Greenlee & Jackson, 30 Broadway, New York, New York, for legal services rendered to the company during the period beginning May 8, 1951 and ended December 31, 1951. The Chairman further suggested that consideration be

given to arranging for the legal services of this firm on the basis of a retainer fee at the rate of \$1,000 per month beginning January 1, 1952. Upon a motion duly made, seconded and unanimously carried,

the following resolutions were adopted:

RESOLVED that a fee of \$15,000 be paid to Kinner, Marx, Greenlee & Jackson, 30 Broadway, New York, New York, for legal services rendered during the period beginning May 8, 1951 and ended December 31, 1951; and be it further

RESOLVED that the officers of the company be and they hereby are authorized to engage Kinner, Marx, Greenlee & Jackson, 30 Broadway, New York, New York, for legal services on the basis of a retainer fee at the rate of \$1,000 per month beginning January 1, 1952.

At this point Mr. Marx returned to the room.

12. General Hottel then presented a request for a contribution of \$1,000 to be made to the City Safety Foundation, and a request for a contribution of \$5,000 to be made to the Young Men's Christian Association for a rehabilitation and construction program.

of that association in San Diego, extending over a 3-year period. After consideration and upon a motion duly made, seconded and unanimously carried, the above contributions were approved.

15. General McNarney then stated that the final estimated cost to complete the modification of the Southern California Cooperative Wind Tunnel had been revised upward to \$8,000,000, the company's 1/6th share of which would be \$1,333,333; and that Board action taken on January 26, 1951 and January 28, 1952 had authorized an aggregate commitment by the company of \$1,125,000 as the company's share in the cost of this modification. General McNarney suggested that the officers of the company be authorized to commit the company for an additional amount of approximately \$210,000 for this modification. After consideration and upon a motion duly made, seconded and unanimously carried, the officers of the company were authorized to commit the company for an additional amount of approximately \$210,000 for the modification of the Southern California Cooperative Wind Tunnel.

16. The Chairman next commented on the general interest which had been taken in the Convair-San Diego P.G.A. Open Golf Tournament which had been held in the current month, and the benefit derived by the company as the sponsor of the tournament, and he suggested that consideration be given to the company sponsoring and underwriting a similar tournament to be held in January, 1955. After consideration and upon a motion duly made, seconded and unanimously carried, the officers were authorized to commit the company as sponsor and underwriter of the Convair-San Diego P.G.A. Open Golf Tournament to be held in San Diego in January, 1955.

of that association in San Diego, extending over a 3-year period.

After consideration and upon a motion duly made, seconded and

unanimously carried, the above contributions were approved.

15. General Hahnemann then stated that the final authorized

cost to complete the modification of the Southern California Cooperative

Five Year Tunnel had been revised upward to \$5,000,000, the company's

1950 share of which would be \$1,111,111 and that Board action taken

on January 20, 1951 and January 28, 1952 had authorized an appropriate

contribution by the company of \$1,125,000 as the company's share in the

cost of this modification. General Hahnemann suggested that the officers

of the company be authorized to commit the company for an additional

amount of approximately \$250,000 for this modification. After con-

sideration and upon a motion duly made, seconded and unanimously

carried, the officers of the company were authorized to commit the

company for an additional amount of approximately \$250,000 for the

modification of the Southern California Cooperative Five Year Tunnel.

16. The Chairman next commented on the general interest

which had been taken in the County-San Diego P.O.A. Open Golf

Tournament which had been held in the current month, and the benefit

derived by the company as the sponsor of the tournament, and he sug-

gested that consideration be given to the company sponsoring and

underwriting a similar tournament to be held in January, 1953. After

consideration and upon a motion duly made, seconded and unanimously

carried, the officers were authorized to commit the company as sponsor

and underwriter of the County-San Diego P.O.A. Open Golf Tournament

to be held in San Diego in January, 1953.

17. The Chairman then referred to the announcement made at the meeting of the Board of Directors held on October 23, 1953, to the effect that the firm of Johnson & Higgins, insurance brokers, 63 Wall Street, New York, New York, was being retained to make a study of the Annuity Plan of the company and to submit its recommendations in respect thereof, and he suggested that the Board authorize the payment of \$2500 to that firm for its services in making a preliminary study of the Annuity Plan of the company and making its report thereon. Upon a motion duly made, seconded and unanimously carried, the payment of \$2500 to the firm Johnson & Higgins, was authorized for its services in making such preliminary study and report.

18. Attention was next called to the forthcoming meeting of stockholders of the company and it was suggested that consideration be given to certain matters incident thereto. Upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that the officers of the company be and they hereby are authorized to issue the annual report of the company, including the financial statements for the fiscal year ended November 30, 1953 as certified by the company's independent auditors, Arthur Young & Company, and the letter of the Chairman of the Board to the share owners of the company, and to distribute copies of such annual report to share owners of the company as of that date which will be fixed as the record date for determining the holders of common stock of the company entitled to receive notice of and to vote at the forthcoming meeting of the share owners of the company; and be it further

17. The Chairman then referred to the announcement made at the meeting of the Board of Directors held on October 23, 1953, to the effect that the firm of Johnson & Higgins, Insurance Brokers, 63 Wall Street, New York, New York, was being retained to make a study of the Annual Plan of the company and to submit the recommendations in respect thereof, and he suggested that the Board authorize the payment of \$2500 to that firm for the services in making a preliminary study of the Annual Plan of the company and making the report thereon. Upon a motion duly made, seconded and unanimously carried, the payment of \$2500 to the firm Johnson & Higgins, was authorized for the services in making such preliminary study and report.

18. Attention was next called to the forthcoming meeting of stockholders of the company and it was suggested that consideration be given to certain matters incident thereto. Upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

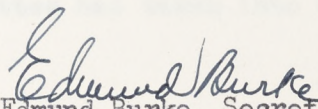
RESOLVED that the officers of the company do and they hereby are authorized to issue the annual report of the company, including the financial statements for the fiscal year ended November 30, 1953 as certified by the company's independent auditors, Arthur Young & Company, and the letter of the Chairman of the Board to the stock owners of the company, and to distribute copies of such annual report to stock owners of the company as of that date which will be filed as the record date for determining the holders of common stock of the company entitled to receive notice of and to vote at the forthcoming meeting of the stock owners of the company, and be it further

RESOLVED that the officers of the company be and they hereby are authorized to employ Georgeson & Co., 52 Wall Street, New York, New York, to assist in the solicitation of proxies from share owners of the company incident to voting on matters to be presented at the forthcoming meeting of share owners of the company, and to pay Georgeson & Co. as a compensation fee for such assistance, a sum to be agreed upon, plus the expenses incurred by Georgeson & Co. in the employment of the required number of assistants to be engaged in this solicitation.

19. The Chairman then stated that the next regular meeting of the Board was scheduled to be held on February 19, 1954. He further stated that this would not be a convenient meeting date and suggested that consideration be given to the selection of another date for holding the next meeting, which would be a special (in lieu of regular) meeting. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that instead of holding the next regular meeting of the Board of Directors of this company on the scheduled date, a special (in lieu of regular) meeting of the Board shall be held at 10:00 a.m. on Monday, March 1, 1954, at the offices of the company in San Diego.

20. There being no further business to come before the meeting, it was thereupon adjourned.


Edmund Burke, Secretary

RESOLVED that the officers of the company be and they hereby are authorized to employ George A. Co., 52 Wall Street, New York, New York, to assist in the solicitation of business from owners of the company's interest in voting on matters to be presented at the forthcoming meeting of shareholders of the company, and to pay George A. Co. as a compensation fee for such assistance, a sum to be agreed upon, plus the expenses incurred by George A. Co. in the employment of the required number of assistants to be engaged in this solicitation.

19. The Chairman then stated that the next regular meeting of the Board was scheduled to be held on February 12, 1952. He further stated that this would not be a convenient meeting date and suggested that consideration be given to the selection of another date for holding the next meeting, which would be a special (in lieu of regular) meeting. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that instead of holding the next regular meeting of the Board of Directors of this company on the scheduled date, a special (in lieu of regular) meeting of the Board shall be held at 10:00 a.m. on Monday, March 1, 1952, at the offices of the company in San Diego.

20. There being no further business to come before the meeting, it was thereupon adjourned.

John H. [Signature]
 Second Vice President

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TO THE BOARD OF DIRECTORS

OF CONVAIR:

The undersigned, at the meeting of Directors held on December 18, 1953 were appointed as a Committee of the Board to consider and make recommendation as to the amount to be paid to Mr. Floyd B. Odlum for services as Chairman of the Board of Convair from the time he assumed such duties in the fall of 1947 until the close of the Company's fiscal year in 1952. These services extended over a period in excess of five years (excluding entirely the fiscal year 1953), during part of which Mr. Odlum also served as President, for which he has received no compensation.

Mr. Odlum has been consulted by your Committee and, after reiterating that he is willing to leave entirely to the discretion of the Board of Directors the amount that he is to receive for his services as Chairman from the fall of 1947 to November 30, 1952 inclusive, has stated that the maximum he is willing to take as a payment at this time to extinguish Convair's obligation to him is \$135,000.00.

This statement by Mr. Odlum has simplified the work of the Committee because your Committee believes that, by any reasonable standards, including the standards in effect with respect to the compensation of Mr. Odlum's predecessors in office in Convair, the payment should be greater.

In making this general statement, your Committee has taken into account, among other things, the following:

- (1) That, besides the responsibility involved, Mr. Odlum gave a great deal of time to carrying out his duties as Chairman of the Board; and that, during a part of the period in question, Mr. Odlum was in charge of management and operations as well as policies.
- (2) That Mr. Odlum has received no pay whatever for his services as Chairman of the Board for the period under review, that is to say, from November 20, 1947 up until the year which started December 1, 1952.
- (3) That, for several years prior to the time Mr. Odlum took office, the annual compensation for services of the Chairman of the Board of Convair varied between a maximum of \$137,000 per year and a minimum of \$40,000 per year.

TO THE BOARD OF DIRECTORS
OF CONVAIR:

The undersigned, at the meeting of Directors held on December 18, 1953 were appointed as a Committee of the Board to consider and make recommendation as to the amount to be paid to Mr. Floyd B. Odium for services as Chairman of the Board of Convaair from the time he assumed such duties in the fall of 1947 until the close of the Company's fiscal year in 1952. These services extended over a period in excess of five years (excluding entirely the fiscal year 1953), during part of which Mr. Odium also served as President, for which he has received no compensation. Mr. Odium has been consulted by your Committee and, after reiterating that he is willing to leave entirely to the discretion of the Board of Directors the amount that he is to receive for his services as Chairman from the fall of 1947 to November 30, 1952 inclusive, has stated that the maximum he is willing to take as a payment at this time to extinguish Convaair's obligation to him is \$135,000.00. This statement by Mr. Odium has simplified the work of the Committee because your Committee believes that, by any reasonable standards, including the standards in effect with respect to the compensation of Mr. Odium's predecessors in office in Convaair, the payment should be greater. In making this general statement, your Committee has taken into account, among other things, the following:

- (1) That, besides the responsibility involved, Mr. Odium gave a great deal of time to carrying out his duties as Chairman of the Board; and that, during a part of the period in question, Mr. Odium was in charge of management and operations as well as policies.
- (2) That Mr. Odium has received no pay whatever for his services as Chairman of the Board for the period under review, that is to say, from November 30, 1947 up until the year which started December 1, 1952.
- (3) That, for several years prior to the time Mr. Odium took office, the annual compensation for services of the Chairman of the Board of Convaair varied between a maximum of \$135,000 per year and a minimum of \$40,000 per year.

(4) That, if Mr. Odum had taken only this minimum amount and had in addition been under the Pension Plan and had the consulting contract arrangements now in effect with the senior executives of Convair, the Company would have paid \$40,000 for each of the more than five years in question, would have paid approximately \$30,000 in addition into the Pension Fund, and also in addition would have paid Mr. Odum subsequent consulting fees aggregating approximately \$75,000, and then Mr. Odum would have received a pension for life of several thousand dollars per year starting at the age of 65.

Such payments as Mr. Odum has received for attendance as a Director at meetings of the Board or such reimbursement as Mr. Odum has had of expenses were not to any degree whatever compensation for services as Chairman or intended as such. For such services, for the period starting November 20, 1947 and ending November 30, 1952, he has received no compensation.

For this period and because of the limitations fixed by Mr. Odum, your Committee recommends that he be now paid the sum of \$135,000.00.

of the company, 3165 Pacific Highway, San Diego,

California, on Friday, February 26, 1954.

Pacific Standard Time, for the transaction

which may come before the meeting.

Dated at Cleveland, Ohio, February 25, 1954.

S. R. Shaw
John H. Harty
Committee.

George W. Goddington

(1) That, if Mr. Odum had taken only this minimum amount and had in addition been under the Pension Plan and had the consulting contract arrangements now in effect with the senior executives of Conair, the Company would have paid \$10,000 for each of the more than five years in question, would have paid approximately \$30,000 in addition into the Pension Fund, and also in addition would have paid Mr. Odum subsequent consulting fees aggregating approximately \$75,000, and then Mr. Odum would have received a pension for life of several thousand dollars per year starting at the age of 65.

Such payments as Mr. Odum has received for attendance as a Director at meetings of the Board or such reimbursement as Mr. Odum has had of expenses were not to any degree whatever compensation for services as Chairman or intended as such. For such services, for the period starting November 20, 1947 and ending November 30, 1952, he has received no compensation. For this period and because of the limitations fixed by Mr. Odum, your Committee recommends that he be now paid the sum of \$135,000.00.

Signature
This statement by Mr. Odum has been signed by Mr. Odum and is a true and correct statement of his position as Chairman of the Board of Conair, Inc.

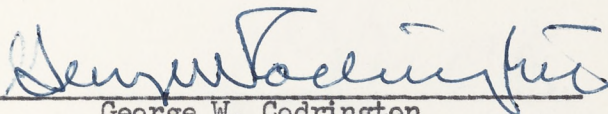
In effect with respect to the compensation of Mr. Odum, your Committee recommends that the payment should be greater.

- the following:
- (1) That, besides the responsibility involved, Mr. Odum gave a great deal of time to carrying out his duties as Chairman of the Board and that, during a part of the period in question, Mr. Odum was in charge of management and operations as well as policies.
 - (2) That Mr. Odum has received no pay whatever for his services as Chairman of the Board for the period under review, that is to say, from November 20, 1947 to until the year which started November 1, 1953.
 - (3) That, the general years prior to the time Mr. Odum took office, the annual compensation for services of the Chairman of the Board of Conair varied between a minimum of \$15,000 per year and a maximum of \$25,000 per year.

WAIVER OF NOTICE

The undersigned George W. Codrington, one of the members of the Executive Committee of the Board of Directors of Consolidated Vultee Aircraft Corporation, hereby waives all notice of the time and place of the holding of an Executive Committee meeting, and consents and agrees that such meeting may be held at the offices of the company, 3165 Pacific Highway, San Diego, California, on Friday, February 26, 1954, at 2:00 p.m. Pacific Standard Time, for the transaction of any business which may come before the meeting.


Dated at Cleveland, Ohio, February 25, 1954.


George W. Codrington

WAIVER OF NOTICE

The undersigned, George W. Collings, one of the members of the Executive Committee of the Board of Directors of Consolidated Water Supply Corporation, hereby waives all notice of the time and place of the holding of an Executive Committee meeting, and consents and agrees that such meeting may be held at the office of the company, 1152 Pacific Highway, San Diego, California, on Friday, February 26, 1938, at 2:00 p.m. Pacific Standard Time, for the transaction of any business which may come before the meeting.

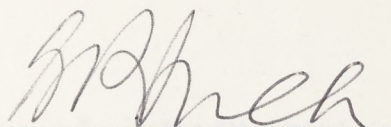
Dated at Cleveland, Ohio, February 25, 1938.


George W. Collings

WAIVER OF NOTICE

The undersigned S. R. Inch, one of the members of the Executive Committee of the Board of Directors of Consolidated Vultee Aircraft Corporation, hereby waives all notice of the time and place of the holding of an Executive Committee meeting, and consents and agrees that such meeting may be held at the offices of the company, 3165 Pacific Highway, San Diego, California, on Friday, February 26, 1954, at 2:00 p.m. Pacific Standard Time, for the transaction of any business which may come before the meeting.

Dated at San Diego, California, February 25, 1954.

A handwritten signature in cursive script, appearing to read "S. R. Inch", written over a horizontal line.

S. R. Inch

WAIVER OF NOTICE

The undersigned E. H. Jacob, one of the
members of the Executive Committee of the Board of
Directors of Consolidated Value Assets Corporation,
hereby waives all notice of the time and place of the
holding of an Executive Committee meeting, and consents
and agrees that such meeting may be held at the offices
of the company, 1105 Pacific Highway, San Diego,
California, on Friday, February 26, 1934, at 2:00 p.m.
Pacific Standard Time, for the transaction of any business
which may come before the meeting.
Dated at San Diego, California, February 25, 1934.

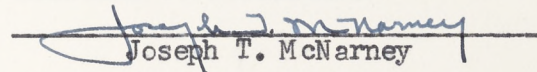


E. H. Jacob

WAIVER OF NOTICE

The undersigned Joseph T. McNarney, one of the members of the Executive Committee of the Board of Directors of Consolidated Vultee Aircraft Corporation, hereby waives all notice of the time and place of the holding of an Executive Committee meeting, and consents and agrees that such meeting may be held at the offices of the company, 3165 Pacific Highway, San Diego, California, on Friday, February 26, 1954, at 2:00 p.m. Pacific Standard Time, for the transaction of any business which may come before the meeting.

Dated at San Diego, California, February 25,
1954.


Joseph T. McNarney

WAIVER OF NOTICE

The undersigned Joseph T. McNamee, one of
the members of the Executive Committee of the Board
of Directors of Consolidated Water Airway Corporation,
hereby waives all notice of the time and place of the
holding of an Executive Committee meeting, and consents
and agrees that such meeting may be held at the office
of the company, 3105 Pacific Highway, San Diego,
California, on Friday, February 26, 1931, at 2:00 p.m.
Pacific Standard Time, for the transaction of any business
which may come before the meeting.
Witness my hand and seal at San Diego, California, February 25,

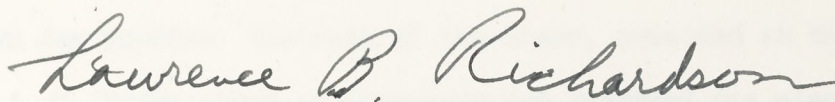
1931.


Joseph T. McNamee

WAIVER OF NOTICE

The undersigned Lawrence B. Richardson, one of the members of the Executive Committee of the Board of Directors of Consolidated Vultee Aircraft Corporation, hereby waives all notice of the time and place of the holding of an Executive Committee meeting, and consents and agrees that such meeting may be held at the offices of the company, 3165 Pacific Highway, San Diego, California, on Friday, February 26, 1954, at 2:00 p.m. Pacific Standard Time, for the transaction of any business which may come before the meeting.

Dated at Washington, D. C., February 25, 1954.



Lawrence B. Richardson

WAIVER OF NOTICE

The undersigned Lawrence B. Richardson, one
of the members of the Executive Committee of the Board
of Directors of Consolidated Natural Gas Company,
hereby waives all notice of the time and place of the
holding of an Executive Committee meeting, and consents
and agrees that such meeting may be held at the office
of the company, 2155 Pacific Highway, San Diego,
California, on Friday, February 25, 1932, at 2:00 p.m.
Pacific Standard Time, for the transaction of any business
which may come before the meeting.
Witness my hand and seal at Washington, D. C., February 25, 1932.


Lawrence B. Richardson

MINUTES OF A SPECIAL MEETING OF THE
EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS
OF CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD FRIDAY, FEBRUARY 26, 1954

A special meeting of the Executive Committee of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at the general offices of the company in San Diego on Friday, February 26, 1954, at 2:00 p.m. Pacific Standard Time, pursuant to a written waiver of notice fixing the time and the place, and stating the purpose of the meeting, and consent to the meeting, signed by Joseph T. McNarney, Lawrence B. Richardson, George W. Codrington and S. R. Inch, the absent members of the Executive Committee.

The following members of the Executive Committee were present in person and constituted a quorum.

John Jay Hopkins
J. V. Naish
Frank Pace, Jr.

John Jay Hopkins, Chairman of the Board, presided at the meeting, and J. V. Naish acted as Secretary and recorded the minutes.

1. Mr. Naish stated that the meeting had been called for the purpose of granting authority to August C. Esenwein, Vice President of the company, to execute an amendment to Letter Contract No. AF41(608)-6858 with the U. S. Government, and action by the Executive Committee granting this authority was necessary because the value stated in the contract was in excess of \$1,000,000. After considera-

MINUTES OF A SPECIAL MEETING OF THE
EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS
OF CONSOLIDATED VALLEY AIRPORT CORPORATION
HELD FRIDAY, FEBRUARY 26, 1934

A special meeting of the Executive Committee of the Board of Directors of Consolidated Valley Airport Corporation was held at the general offices of the company in San Diego on Friday, February 26, 1934, at 2:00 p.m. Pacific Standard Time, pursuant to a written waiver of notice fixing the time and the place, and stating the purpose of the meeting, and consent to the meeting, signed by Joseph T. Hennessey, Lawrence B. Richardson, George W. Gorington and S. R. Cook, the absent members of the Executive Committee.

The following members of the Executive Committee were

present in person and constituted a quorum.

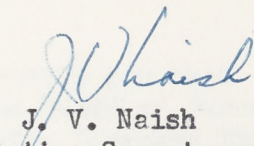
John Jay Hopkins
J. V. Walsh
Frank Pace, Jr.

John Jay Hopkins, Chairman of the Board, presided at the meeting, and J. V. Walsh acted as Secretary and recorded the minutes. J. Mr. Walsh stated that the meeting had been called for the purpose of granting authority to August G. Hennessey, Vice President of the company, to execute an amendment to latter Contract No. ARL(668)-6825 with the U. S. Government, and action by the Executive Committee granting this authority was necessary because the value stated in the contract was in excess of \$1,000,000. After considera-

tion and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that August C. Esenwein, Vice President of Consolidated Vultee Aircraft Corporation, be and he hereby is authorized to execute for and in behalf of the company a certain Amendment No. 2 to Letter Contract No. AF41(608)-6858 with the U.S. Government in the amount of approximately \$4,000,000, subject to legal approval of the contents of the said Letter Contract Supplement.

2. There being no further business to come before the meeting, it was thereupon adjourned.


J. V. Naish
Acting Secretary


tion and upon a motion duly made, adjourned and unanimously carried,

the following resolution was adopted:

RESOLVED that August G. Remond, Vice President of Consolidated Value Assets Corporation, be and he hereby is authorized to execute for and in behalf of the company a certain instrument No. 2 to Letter Contract No. 4411(602)-6528 with the U.S. Government in the amount of approximately \$1,000,000, subject to legal approval of the contents of the said Letter Contract Supplement.

2. There being no further business to come before the

meeting, it was thereupon adjourned.


J. V. Walsh
Voting Secretary

February 3, 1954

To: Ellsworth C. Alvord
George W. Codrington
Lambert J. Gross
Roger I. Harris
John D. Hertz (Cary, Illinois
and Canoga Park, California)
Henry M. Marx

Donald N. McDonnell
Clifton M. Miller
Frank Pace, Jr.
R. C. Patterson, Jr.
Lawrence B. Richardson
O. P. Robinson, Jr.
R. F. Windfohr

Mr. Hopkins has instructed me to notify you that a special (in lieu of regular) meeting of the Board of Directors of this company will be held at 10 a.m. Pacific Standard Time on Monday, March 1, 1954, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

A room will be reserved for you at the La Jollan Hotel for occupancy on February 28, 1954. If you plan on attending the meeting please indicate whether the room will be required.

Sincerely

Edmund Burke, Secretary

February 3, 1952

Donald E. McManis
Clifton H. Miller
Frank Pace, Jr.
E. C. Patterson, Jr.
Lawrence H. Richardson
G. F. Robinson, Jr.
H. F. Winkler

For: Elmer G. Alvord
George V. Goodington
Lester J. Gross
Roger J. Harris
John D. Harris (Gary, Illinois)
and George Park, California
Henry W. Hays

Mr. Hopkins has instructed me to notify you that a special (in lieu of regular) meeting of the Board of Directors of this company will be held at 10 a.m. Pacific Standard Time on Monday, March 1, 1952, at the office of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

A room will be reserved for you at the La Jolla Hotel for occupancy on February 28, 1952. If you plan on attending the meeting please indicate whether the room will be required.

Sincerely

Edward Burke, Secretary

February 3, 1954

To: Joseph T. McNarney
J. V. Naish
LaMotte T. Cohu

S. R. Inch
I. M. Laddon

Mr. Hopkins has instructed me to notify you that a special (in lieu of regular) meeting of the Board of Directors of this company will be held at 10 a.m. Pacific Standard Time on Monday, March 1, 1954, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Sincerely

Edmund Burke, Secretary

February 1, 1952

S. E. Lamb
J. W. Lamb

Mr. Joseph T. McHenry
Mr. J. V. Walsh
Mr. Lawrence T. Cohn

Mr. E. E. Lamb has instructed me to
notify you that a special (in lieu of regular)
meeting of the Board of Directors of this
company will be held at 10 a.m., Pacific Standard
Time on Monday, March 1, 1952, at the offices of
the company in San Diego, for the transaction of
any business that may properly come before the
meeting.

Please use the accompanying copy of
this letter to tell us whether you will attend
the meeting.

Sincerely

Edward Bates, Secretary

MINUTES OF THE SPECIAL (IN LIEU OF REGULAR)
MEETING OF THE BOARD OF DIRECTORS OF
CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD MONDAY, MARCH 1, 1954

A special (in lieu of regular) meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at the general offices of the company in San Diego, California, on Monday, March 1, 1954, at 10:00 a.m. Pacific Standard Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

Ellsworth C. Alvord	Henry M. Marx
George W. Codrington	Donald N. McDonnell
LaMotte T. Cohu	Joseph T. McNarney
Lambert J. Gross	Clifton M. Miller
Roger I. Harris	J. V. Naish
John D. Hertz	Frank Pace, Jr.
John Jay Hopkins	R. C. Patterson, Jr.
S. R. Inch	L. B. Richardson
I. M. Laddon	O. P. Robinson, Jr.

The following director was absent:

R. F. Windfohr

Robert B. Watts, Vice President and General Counsel, D. T. Fisher, Controller, and G. T. Bovee, Treasurer, were present by invitation.

John Jay Hopkins, Chairman, presided at the meeting, and Edmund Burke, Secretary, recorded the minutes.

MINUTES OF THE SPECIAL (IN LIEU OF ANNUAL)
MEETING OF THE BOARD OF DIRECTORS OF
CONSOLIDATED VALUE ALIENANT CORPORATION
Held Monday, March 1, 1925

A special (in lieu of regular) meeting of the Board of Directors of Consolidated Value Alienant Corporation was held at the general offices of the company in San Diego, California, on Monday, March 1, 1925, at 10:00 a.m. Pacific Standard Time, pursuant to notice given to all the directors in accordance with the respective provisions of the bylaws.

The following directors were present at the meeting and

constituted a quorum for the transaction of business:

Henry M. Hartz	Elsworth G. Alford
Daniel M. Holloman	George W. Robinson
Joseph T. Robinson	Laurel T. Olin
William M. Miller	Laurel J. Gross
J. F. Hain	Robert I. Hartz
Frank Pace, Jr.	John D. Hartz
R. C. Robinson, Jr.	John Jay Hopkins
J. E. Robinson	E. E. Ingh
G. F. Robinson, Jr.	T. M. Landon

The following director was absent:

E. F. Winthrop

Robert E. Webb, Vice President and General Counsel,
D. T. Fisher, Controller, and G. F. Howe, Treasurer, were present
by invitation.

John Jay Hopkins, Chairman, presided at the meeting, and

Edward Burke, Secretary, recorded the minutes.

1. The Secretary presented the minutes of the meeting of the Board of Directors held on January 25, 1954. After due consideration the minutes of this meeting were approved as recorded.

2. It was then proposed that consideration be given to the declaration of a special dividend. In the course of the discussion it was developed that the earnings of the company would justify a declaration of a small special dividend but because of other countervailing considerations it was the consensus of opinion that a special dividend should not be declared at this time and no action was taken.

3. A proposal to amend the Bylaws with respect to the fiscal year ending was next presented. After discussion and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that Section 1 of Article XI of the Bylaws be amended to read as follows:

The fiscal year of the corporation shall begin upon the first day of January and terminate upon the last day of December in each year.

4. It was then suggested that the resolutions adopted July 24, 1953 which appointed Arthur Young and Company as independent auditors of the company for the fiscal year ended November 30, 1953, be amended to provide that Arthur Young and Company be retained as independent auditors of the company for the month of December 1953. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

1. The Secretary presented the minutes of the meeting of the Board of Directors held on January 25, 1923. After due consideration the minutes of this meeting were approved as recorded.

2. It was then proposed that consideration be given to the declaration of a special dividend. In the course of the discussion it was developed that the earnings of the company would justify a declaration of a small special dividend but because of other outstanding considerations it was the consensus of opinion that a special dividend should not be declared at this time and no action was taken.

3. A proposal to amend the Bylaws with respect to the fiscal year ending was next presented. After discussion and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that Section I of Article II of the Bylaws be amended to read as follows:

The fiscal year of the corporation shall begin upon the first day of January and terminate upon the last day of December in each year.

4. It was then suggested that the resolution adopted July 25, 1923 which appointed Arthur Young and Company as independent auditors of the company for the fiscal year ended November 30, 1923, be amended to provide that Arthur Young and Company be retained as independent auditors of the company for the month of December 1923. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that Arthur Young and Company be and that firm hereby is appointed as independent auditors of the company for the month of December 1953; and be it further

RESOLVED that Arthur Andersen & Co. be and that firm hereby is appointed as independent auditors of the company for the calendar year 1954.

5. Attention was next called to the provision contained in the Incentive Compensation Plan for the appointment of an Incentive Compensation Plan Committee to interpret and administer the Plan. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that there shall be and hereby is appointed an Incentive Compensation Plan Committee to serve from this date and to continue at the pleasure of the Board, composed of the following members:

John D. Hertz (Chairman)
George W. Codrington (Vice Chairman)
Ellsworth C. Alvord
S. R. Inch
C. M. Miller

and be it further

RESOLVED that said Incentive Compensation Plan Committee shall be and hereby is vested with full power and authority to interpret and administer the Incentive Compensation Plan as adopted by the Board of Directors of the company at a meeting held on November 20, 1953, and as the same may be from time to time amended.

6. The Chairman then referred to the previous appointment of a committee composed of Messrs. McDonnell (Chairman), Inch and Patterson, with Mr. Alvord as Secretary, to consider and report to the Board in respect of the advisability and feasibility of an amalgamation of the company with General Dynamics Corporation. He stated that a similar committee had been appointed by General Dynamics Corporation, which committee had retained the services of Lehman

RESOLVED that Arthur Young and Company be and that
this body is appointed as independent auditors of the
company for the month of December 1953; and so it further

RESOLVED that Arthur Andersen & Co. be and that this
body is appointed as independent auditors of the company
for the calendar year 1954.

5. Attention was next called to the resolution contained

in the Incentive Compensation Plan for the appointment of an Incentive

Compensation Plan Committee to interpret and administer the Plan.

After consideration and upon a motion duly made, seconded and unanimously

carried, the following resolution was adopted:

RESOLVED that there shall be and hereby is appointed
an Incentive Compensation Plan Committee to serve from
this date and to continue at the pleasure of the Board,
composed of the following members:

John B. Werts (Chairman)
George W. Cunningham (Vice Chairman)
Wilmot C. Alvord
H. W. Inch
G. W. Miller

and so it further

RESOLVED that said Incentive Compensation Plan Committee
shall be and hereby is vested with full power and authority
to interpret and administer the Incentive Compensation Plan
as adopted by the Board of Directors of the company at a
meeting held on November 20, 1953, and at the same time be
free to do the same.

6. The Chairman then referred to the previous appointment

of a committee composed of Messrs. Wilmot C. Alvord, H. W. Inch and
Paterson, with Mr. Alvord as Secretary, to consider and report to
the Board in respect of the advisability and feasibility of an amal-
gamation of the company with General Dynamics Corporation. He stated
that a similar committee had been appointed by General Dynamics
Corporation, which committee had retained the services of Lehman

Brothers, while the company committee had retained Blyth & Co. Inc., to study the proposed merger of the company with and into General Dynamics Corporation, to make recommendations as to whether or not a merger of the two companies was feasible and desirable and what ratio of exchange of shares would be fair and equitable. He further stated that the two committees had jointly retained the services of Sanderson and Porter, independent engineers, to make a survey of the properties, products and operations of both companies.

At the request of the Chairman, Mr. McDonnell reported that all three of these independent consultants were in favor of the merger as feasible and desirable for both companies and the share owners of each; and that the proposed ratio of exchange of shares which had been agreed upon unanimously by both committees as fair and equitable to all concerned was $\frac{4}{7}$ of one share of common stock of General Dynamics for each outstanding share of stock of this company.

Pro forma financial statements which combined statements of the company as of November 30, 1953 with statements of General Dynamics and subsidiary, as of December 31, 1953, were reviewed and considered.

Messrs. Inch and Patterson, members of the committee, and each other director present, then commented favorably on the terms of the proposed merger and recommended its approval. Mr. Pace stated that he had discussed the terms of the proposed merger, including the proposed ratio of exchange of shares, with Robert F. Windfohr, the absent director, and Mr. Windfohr had expressed his approval of the proposed merger and the ratio of exchange of shares. The report of the committee was ordered filed with the records of the meeting.

Brooklyn, while the company considered and retained Elgin & Co., Inc., to study the proposed merger of the company with and into General Dynamics Corporation, to make recommendations as to whether or not a merger of the two companies was feasible and desirable and what ratio of exchange of shares would be fair and equitable. He further stated that the two committees had jointly retained the services of Sanderson and Paterson, independent engineers, to make a survey of the properties, products and operations of both companies.

At the request of the Chairman, Mr. Robinson, reported that all three of these independent consultants were in favor of the merger as feasible and desirable for both companies and the share owners of each; and that the proposed ratio of exchange of shares which had been agreed upon unanimously by both committees as fair and equitable to all concerned was $1\frac{1}{2}$ of one share of common stock of General Dynamics for each outstanding share of stock of this company.

For former financial statements which contained statements of the company as of November 30, 1953 with statements of General Dynamics and subsidiary, as of December 31, 1953, were reviewed and considered. Messrs. Jack and Paterson, members of the committee, and each other director present, then commented favorably on the terms of the proposed merger and recommended its approval. Mr. Pace stated that he had discussed the terms of the proposed merger, including the proposed ratio of exchange of shares, with Robert E. Winfield, the absent director, and Mr. Winfield had expressed his approval of the proposed merger and the ratio of exchange of shares. The report of the committee was ordered filed with the records of the meeting.

After full consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that the Agreement of Merger of the company with and into General Dynamics Corporation, a Delaware corporation, in the form presented to the meeting, annexed as Exhibit A to the proof of the proxy statement of the company for a special (in lieu of annual) meeting of stockholders to be held April 29, 1954, be and hereby is approved, adopted and declared advisable and in the best interests of the company and of its share owners, with such changes as may be approved by the Chairman of the Board and by counsel; and that the directors shall enter into the final form of such Agreement of Merger under the corporate seal of the company; and further

RESOLVED that after the execution of the said Agreement of Merger by the directors aforesaid the same be submitted to share owners of the company at a special (in lieu of annual) meeting thereof to be held on April 29, 1954, at 11:00 o'clock in the forenoon at 129 South State Street, Dover, Delaware; and that due notice of the time, place and object of the meeting with respect to the consideration of the said Agreement of Merger be given including publication at least once a week for four successive weeks in one or more newspapers published in Kent and New Castle Counties, Delaware; and further

RESOLVED that if at such meeting or any adjournment thereof the votes of share owners of the company representing $2/3$ of the total number of shares of common stock of the company shall be for the adoption of the Agreement of Merger, such fact shall be certified upon the Agreement of Merger by the Secretary or any Assistant Secretary of the company under the seal thereof, and the said Agreement of Merger so adopted and certified shall be signed by the President or the Executive Vice President or any Vice President, and by the Secretary or any Assistant Secretary of the company under the corporate seal thereof and acknowledged by the President or the Executive Vice President or any Vice President, and in the event the said Agreement of Merger is adopted, approved and executed for and on behalf of and by General Dynamics Corporation, that the same be filed in the office of the Secretary of State of Delaware and recorded in the office of the Recorder of Kent County, Delaware, and the office of the Recorder of New Castle

After full consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that the Agreement of merger of the company with the General Insurance Corporation, a Delaware corporation, in the form presented to the meeting, amended as Exhibit A to the report of the proxy statement of the company for a special (in lieu of annual) meeting of stockholders to be held April 20, 1934, be and hereby is approved, adopted and declared advisable and in the best interests of the company and of its share owners, with such changes as may be approved by the Chairman of the Board and by the directors; and that the directors shall enter into the final form of such Agreement of merger under the corporate seal of the company; and further

RESOLVED that after the execution of the said Agreement of merger by the directors aforesaid the same be submitted to their owners of the company at a special (in lieu of annual) meeting thereof to be held on April 20, 1934, at 11:00 o'clock in the forenoon at 125 South State Street, Dover, Delaware; and that the date, time, place and object of the meeting with respect to the consideration of the said Agreement of merger be given including publication at least once a week for four consecutive weeks in one or more newspapers published in Kent and New Castle Counties, Delaware; and further

RESOLVED that if at such meeting or any adjournment thereof the votes of share owners of the company voting 2/3 of the total number of shares of common stock of the company shall be for the adoption of the Agreement of merger, such fact shall be certified upon the Agreement of merger by the Secretary or any Assistant Secretary of the company under the seal thereof, and the said Agreement of merger as adopted and certified shall be signed by the President or the Executive Vice President or any Vice President, and by the Secretary or any Assistant Secretary of the company under the corporate seal thereof and attested by the President or the Executive Vice President or any Vice President, and in the event the said Agreement of merger is adopted, approved and executed for and on behalf of and by General Insurance Corporation, that the same be filed in the office of the Secretary of State of Delaware and recorded in the office of the Recorder of Kent County, Delaware, and the office of the Recorder of New Castle,

County, Delaware, whereupon said Agreement of Merger shall be taken and deemed to be the agreement and act of merger of the company with and into General Dynamics Corporation; and further

RESOLVED that the proper officers of the company be and they hereby are authorized to execute, deliver, file or make other disposition of any and all documents, certificates and papers, and to take any and all action deemed advisable to effectuate the foregoing.

7. The Chairman next stated that it would be in order to take action on the following matters incident to the forthcoming special (in lieu of annual) meeting of share owners:

- (a) Fix the date and place of the meeting.
- (b) Fix the record date for determining share owners entitled to receive notice of and to vote at the meeting.
- (c) Appoint Judges of Election.
- (d) Appoint a Proxy Committee.
- (e) Approve the drafts of the notice of the special (in lieu of annual) meeting of share owners, the proxy and the proxy statement, subject to such changes as may be required by either the General Counsel or the Securities and Exchange Commission, and approved by the Chairman of the Board, and direct their being sent to share owners as of the fixed record date.

After discussion and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

County, Delaware, whereupon said agreement of merger shall be taken and deemed to be the agreement and act of merger of the company with and into General Dynamics Corporation; and further

RESOLVED that the proper officers of the company be and they hereby are authorized to execute, deliver, file or make other disposition of any and all documents, certificates and papers, and to take any and all action deemed advisable to effectuate the foregoing.

7. The Chairman next stated that it would be in order to

take action on the following matters incident to the foregoing

special (in lieu of annual) meeting of share owners:

- (a) Fix the date and place of the meeting.
- (b) Fix the record date for determining share owners entitled to receive notice of and to vote at

the meeting.

- (c) Appoint Judges of Election.
- (d) Appoint a Proxy Committee.
- (e) Approve the limits of the notice of the special (in lieu of annual) meeting of share owners, the proxy and the proxy statement, subject to such changes as may be required by either the General Counsel or the Securities and Exchange Commission, and approved by the Chairman of the Board, and direct their being sent to share owners as of the fixed record date.

After discussion and upon a motion duly made, seconded and

unanimously carried, the following resolutions were adopted:

RESOLVED that the special (in lieu of annual) meeting of share owners of the company shall be held at 129 South State Street, Dover, Delaware, at 11 o'clock in the forenoon on April 29, 1954; and be it further

RESOLVED that the close of business March 26, 1954 shall be and hereby is fixed as the record date for determining the holders of common stock of the company entitled to receive notice of and to vote at the special (in lieu of annual) meeting of the share owners of the company to be held pursuant to the Bylaws, at Dover, Delaware, at 11 o'clock in the forenoon on April 29, 1954, or any adjournment or adjournments thereof, and that the Secretary or any Assistant Secretary of the company be and he hereby is instructed to give notice to the New York Stock Exchange, the San Francisco Stock Exchange, the Chase National Bank of the City of New York, Transfer Agent, and the First National Bank of Jersey City, Co-Transfer Agent of the company, of the fixing of said record date; and be it further

RESOLVED that Edmund Burke and John J. Hayes shall be and they hereby are appointed Judges of Election to serve as such at the special (in lieu of annual) meeting of the share owners of the company to be held on April 29, 1954, or at any adjournment or adjournments thereof, to open and close the polls, to take charge of and to receive the proxies and ballots and to decide all questions regarding the qualifications of voters, the validity of proxies and the acceptance or rejection of votes in accordance with the provisions of the Bylaws of the company and the laws of the State of Delaware; and be it further

RESOLVED that LaMotte T. Cohu, John Jay Hopkins, S. R. Inch, Donald N. McDonnell and Joseph T. McNarney, shall be and they hereby are appointed members of the committee to solicit proxies on behalf of the management for the special (in lieu of annual) meeting of share owners of the company to be held on April 29, 1954, and to appear as proxies on the management form of proxy to be distributed to the share owners of the company; and that all share owners of the company shall be informed by the proxy statement that said committee intends to vote all proxies received by the committee unless specifically instructed to the contrary, for the proposed Incentive Compensation Plan and for the adoption of the agreement of merger of the company with and into General Dynamics Corporation, except that said proxies shall be authorized to refrain from voting shares of the company as to which they act as proxies "For" the adoption of the agreement of merger of the company with and into General Dynamics

RESOLVED that the special (in lieu of annual) meeting of share owners of the company shall be held at 129 South State Street, Dover, Delaware, at 11 o'clock in the forenoon on April 25, 1951; and be it further

RESOLVED that the time of business March 26, 1951 shall be and hereby is fixed as the record date for determining the holders of common stock of the company entitled to receive notice of and to vote at the special (in lieu of annual) meeting of the share owners of the company to be held pursuant to the bylaws, at Dover, Delaware, at 11 o'clock in the forenoon on April 25, 1951, or any adjournment or adjournments thereof, and that the Secretary or any Assistant Secretary of the company be and he hereby is authorized to give notice to the New York Stock Exchange, the San Francisco Stock Exchange, the Chase National Bank of the City of New York, Trustee's Agent, and the First National Bank of Jersey City, Co-Trustee's Agent of the company, of the fixing of said record date; and be it further

RESOLVED that Edward Davis and John L. Hayes shall be and they hereby are appointed Judges of Election to serve as such at the special (in lieu of annual) meeting of the share owners of the company to be held on April 25, 1951, or at any adjournment or adjournments thereof, to open and close the polls, to take charge of and to receive the written and verbal and to decide all questions regarding the qualifications of voters, the validity of proxies and the acceptance or rejection of votes in accordance with the provisions of the bylaws of the company and the laws of the State of Delaware; and be it further

RESOLVED that Llewellyn T. Cohn, John Jay Hopkins, E. F. Jack, Donald E. McDermott and Joseph T. Henshaw, shall be and they hereby are appointed members of the committee to solicit proxies on behalf of the management for the special (in lieu of annual) meeting of share owners of the company to be held on April 25, 1951, and to appear as proxies on the management form of proxy to be distributed to the share owners of the company; and that all share owners of the company shall be informed by the proxy statement that said committee intends to vote all proxies received by the committee unless specifically instructed to the contrary, for the proposed Executive Compensation Plan and for the adoption of the agreement of merger of the company with and into General Dynamics Corporation, except that said proxies shall be authorized to retain from voting shares of the company as to which they act as proxies "for" the adoption of the agreement of merger of the company with and into General Dynamics

Corporation, in the event that the Board of Directors in its discretion determines the consummation of the agreement of merger to be inadvisable; and be it further

RESOLVED that the proof presented at this meeting of the notice of special (in lieu of annual) meeting of share owners, proxy statement, proxy and letter of the Chairman of the Board to share owners, to be distributed to the share owners of the company in connection with the special (in lieu of annual) meeting thereof to be held on April 29, 1954, shall be and it hereby is approved, in the form presented, for use in connection with such meeting, including exhibits thereto, with such changes as the Security and Exchange Commission may require and as the proper officers of the company may, with the approval of the Chairman of the Board and counsel, deem necessary or advisable; and be it further

RESOLVED that the proper officers of the company, with the approval of the Chairman of the Board, shall be and they hereby are authorized to prepare, mail or otherwise employ such other material as they may deem necessary or advisable in connection with said meeting.

At this point, upon invitation, Otto Marx, Chairman of the Executive Committee of the Board of Directors, General Dynamics Corporation, entered the room.

8. At the request of the Chairman, General McNarney then made a detailed report on the progress of the company. Subject to existing security regulations, General McNarney's report was ordered filed with the records of the meeting.

9. Upon invitation, J. G. Zevely, Director of Contracts, next entered the room and reviewed the Model 340 program. He reported on the Model 340 airplanes sold and on the approval by the Air Force of a proposal to switch 36 Model C131B test bed airplanes from the Model 240 to the Model 340 configuration. After this review of the Model 340 program, Mr. Zevely retired from the room.

Corporation, in the event that the Board of Directors in its discretion determines the communication of the agreement of merger to be inadvisable; and be it further

RESOLVED that the report presented at this meeting of the Board of Directors (in lieu of annual) meeting of the Board of Directors, proxy statement, proxy and letter of the Chairman of the Board to the Board of Directors, to be distributed to the shareholders of the company in connection with the special (in lieu of annual) meeting thereof to be held on April 29, 1935, shall be and it hereby is approved, in the form presented, for use in connection with such meeting, including exhibits thereto, with such changes as the Board of Directors may require and as the proper officers of the company may, with the approval of the Chairman of the Board and consent, deem necessary or advisable; and be it further

RESOLVED that the proper officers of the company, with the approval of the Chairman of the Board, shall be and they hereby are authorized to prepare, mail or otherwise employ such other material as they deem necessary or advisable in connection with said meeting.

At this point, upon invitation, Otto Marx, Chairman of the

Executive Committee of the Board of Directors, General President

Corporation, entered the room.

At the request of the Chairman, General Hottel then

made a detailed report on the progress of the company. Subject to existing security regulations, General Hottel's report was ordered filed with the records of the meeting.

Upon invitation, J. B. Savely, Director of Operations,

next entered the room and reviewed the Model 350 program. He reported

on the Model 350 airplane sold and on the approval by the Air Force

of a proposal to switch to Model 350B fast bed airplane from the

Model 350 to the Model 350 configuration. After this review of the

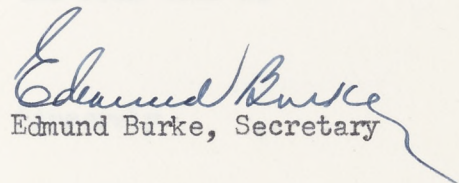
Model 350 program, Mr. Savely retired from the room.

10. The financial statements as of December 31, 1953, and January 31, 1954, were then received, commented on by the Chairman, discussed and filed.

11. The Chairman stated that the next regular meeting of the Board was scheduled to be held on March 19, 1954. He further stated that this would not be a convenient meeting date and suggested that consideration be given to the selection of another date for holding the next meeting, which would be a special (in lieu of regular) meeting. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that instead of holding the next regular meeting of the Board of Directors of this company on the scheduled date, a special (in lieu of regular) meeting of the Board shall be held at 11 a.m. on Friday, March 26, 1954, at the offices of the company in San Diego.

12. There being no further business to come before the meeting, it was thereupon adjourned.


Edmund Burke, Secretary

10. The financial statements as of December 31, 1951,

and January 31, 1952, were then received, commented on by the

Chairman, discussed and filed.

11. The Chairman stated that the next regular meeting

of the Board was scheduled to be held on March 19, 1952. He further

stated that this would not be a convenient meeting date and suggested

that consideration be given to the selection of another date for

holding the next meeting, which would be a special (in lieu of regular)

meeting. After consideration and upon a motion duly made, seconded

and unanimously carried, the following resolution was adopted:

RESOLVED that instead of holding the next regular meeting of the Board of Directors of this company on the scheduled date, a special (in lieu of regular) meeting of the Board shall be held at 11 a.m. on Friday, March 22, 1952, at the offices of the company in San Diego.

12. There being no further business to come before the

meeting, it was thereupon adjourned.

Edward Burke
Edward Burke, Secretary

March 5, 1954

To: Ellsworth C. Alvord
George W. Codrington
Lambert J. Gross
Roger I. Harris
John D. Hertz (Cary, Illinois
and Canoga Park, California)
Henry M. Marx

Donald N. McDonnell
Clifton M. Miller
Frank Pace, Jr.
R. C. Patterson, Jr.
Lawrence B. Richardson
O. P. Robinson, Jr.
R. F. Windfohr

Mr. Hopkins has instructed me to notify you that a special (in lieu of regular) meeting of the Board of Directors of this company will be held at 11 a.m. Pacific Standard Time on Friday, March 26, 1954, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

A room will be reserved for you at the La Jollan Hotel for occupancy on March 25, 1954. If you plan on attending the meeting please indicate whether the room will be required.

Sincerely

Edmund Burke, Secretary

March 2, 1935

Donald W. McGinnis
Clifton W. Miller
Frank Pace, Jr.
R. C. Patterson, Jr.
Lawrence S. Richardson
O. F. Robinson, Jr.
R. F. Whitlock

To: Elsworth C. Alvord
George W. Goddard
Lawrence J. Green
Homer I. Harris
John D. Harris (Gov., Illinois)
and George Foss, California
Henry M. Katz

Mr. Hopkins has instructed me to notify you that a special (in lieu of regular) meeting of the Board of Directors of this company will be held at 11 a.m. Pacific Standard Time on Friday, March 15, 1935, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

A room will be reserved for you at the La Jolla Hotel for occupancy on March 15, 1935. If you plan on attending the meeting please indicate whether the room will be required.

Sincerely

Edward Burke, Secretary

March 5, 1954

To: Joseph T. McNarney
J. V. Naish
LaMotte T. Cohu
S. R. Inch

I. M. Laddon
D. T. Fisher
R. B. Watts

Mr. Hopkins has instructed me to notify you that a special (in lieu of regular) meeting of the Board of Directors of this company will be held at 11 a.m. Pacific Standard Time on Friday, March 26, 1954, at the offices of the company in San Diego, for the transaction of any business that may properly come before the meeting.

Please use the accompanying copy of this letter to tell us whether you will attend the meeting.

Sincerely

Edmund Burke, Secretary

March 2, 1925

J. M. Ladd
D. T. Fisher
J. B. Weller

For Joseph T. Hollister
J. V. Wether
Lester T. Cohn
J. B. Ladd

Mr. Hollister has requested me to notify
you that a special (in lieu of regular) meeting of
the Board of Directors of this company will be
held at 11 a.m. Pacific Standard Time on Friday,
March 20, 1925, at the offices of the company in
San Diego, for the transaction of any business that
may properly come before the meeting.

Please see the accompanying copy of this
letter to tell us whether you will attend the meeting.

Sincerely

Edward Burke, Secretary

MINUTES OF THE SPECIAL (IN LIEU OF REGULAR)
MEETING OF THE BOARD OF DIRECTORS OF
CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD FRIDAY, MARCH 26, 1954

A special (in lieu of regular) meeting of the Board of Directors of Consolidated Vultee Aircraft Corporation was held at the general offices of the company in San Diego, California, on Friday, March 26, 1954, at 11:00 a.m. Pacific Standard Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and constituted a quorum for the transaction of business:

Ellsworth C. Alvord	Henry M. Marx
George W. Codrington	Donald N. McDonnell
LaMotte T. Cohu	Joseph T. McNarney
Lambert J. Gross	Clifton M. Miller
Roger I. Harris	J. V. Naish
John D. Hertz	Frank Pace, Jr.
John Jay Hopkins	L. B. Richardson
S. R. Inch	O. P. Robinson, Jr.
I. M. Laddon	

The following directors were absent:

R. C. Patterson, Jr.
R. F. Windfohr

Robert B. Watts, Vice President and General Counsel, D. T. Fisher, Controller, and G. T. Bovee, Treasurer, were present by invitation.

John Jay Hopkins, Chairman, presided at the meeting, and Edmund Burke, Secretary, recorded the minutes.

MINUTES OF THE SPECIAL (IN LIEU OF REGULAR)
MEETING OF THE BOARD OF DIRECTORS OF
CONSOLIDATED AIRCRAFT CORPORATION
HELD FRIDAY, MARCH 26, 1932

A special (in lieu of regular) meeting of the Board of Directors of Consolidated Aircraft Corporation was held at the general offices of the company in San Diego, California, on Friday, March 26, 1932, at 11:00 a.m. Pacific Standard Time, pursuant to notices given to all the directors in accordance with the requirements of the Bylaws.

The following directors were present at the meeting and

constituted a quorum for the transaction of business:

Henry H. Marx	William C. Alford
Donald H. McDowell	George W. Goddard
Joseph T. Kohn	Laurence T. Goss
Clifton M. Miller	Laurence J. Goss
J. V. Walsh	Robert I. Hertz
Frank Ross, Jr.	John D. Hertz
L. B. Richardson	John Jay Hopkins
G. F. Robinson, Jr.	E. R. Ingh
	I. H. Landon

The following directors were absent:

E. G. Patterson, Jr.
R. F. Winfield

Robert H. Watts, Vice President and General Counsel, D. T.

Walter, Controller, and G. T. Howe, Treasurer, were present by

invitation.

John Jay Hopkins, Chairman, presided at the meeting, and

Edmund Burke, Secretary, recorded the minutes.

1. The Secretary presented the minutes of the Executive Committee meeting held on February 26, 1954, and the minutes of the meeting of the Board of Directors held on March 1, 1954. After due consideration the minutes of the meeting of the Board of Directors held on March 1, 1954 were accepted as recorded.

2. At the request of the Chairman, General McNarney then made a detailed report on the progress of the company. Subject to existing security regulations, General McNarney's report was ordered filed with the records of the meeting.

3. Upon invitation, J. G. Zevely, Director of Contracts, next entered the room and reviewed the Model 340 program.

4. At the request of the Chairman, Mr. Naish then presented a proposed sales financing policy to be used in selected instances on Model 340 airplane sales to foreign air lines. He stated that several such air lines are prospective purchasers of Model 340 airplanes. After full consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the following policy be and it is hereby adopted, whereby:

(a) The officers of the company are authorized under the terms and conditions hereinafter set forth to accept promissory notes in part payment for Model 340 airplanes with the result that the company will remain contingently liable as to not in excess of $37\frac{1}{2}\%$ of the sales price of such airplanes. This policy shall extend to the sale of not in excess of 24 Model 340 airplanes to air lines of acceptable credit standing existing and operating under the laws of foreign countries which are signatories to the Geneva agreement;

1. The Secretary presented the minutes of the Executive Committee meeting held on February 26, 1951, and the minutes of the meeting of the Board of Directors held on March 1, 1951. After due consideration the minutes of the meeting of the Board of Directors held on March 1, 1951, were accepted as reported.

2. At the request of the Chairman, General Hollenbeck then made a detailed report on the progress of the company. Subject to existing security regulations, General Hollenbeck's report was ordered filed with the records of the meeting.

3. Upon invitation, J. G. Levey, Director of Commerce,

next entered the room and reviewed the Model 350 program.

4. At the request of the Chairman, Mr. Walsh then presented a proposed sales financing policy to be used in selected instances on Model 350 airplane sales to foreign air lines. He stated that several such air lines are prospective purchasers of Model 350 airplanes. After full consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the following policy be and it is hereby adopted, to-wit:

(a) The officers of the company are authorized under the terms and conditions hereinafter set forth to accept preliminary orders in part payment for Model 350 airplanes with the understanding that the company will remain contingently liable as to not in excess of 75% of the sales price of each airplane. This policy shall extend to the sale of not in excess of 25 Model 350 airplanes to air lines of acceptable credit standing existing and operating under the laws of foreign countries which are signatories to the Geneva agreement.

(b) The credit standing and the form of the transaction shall in each instance have the prior approval of a majority of the members of a committee hereby appointed to consist of: Messrs. Frank Pace, Jr., J. V. Naish and Lambert J. Gross.

Further discussion ensued and Mr. Naish by way of explanation stated that he thought the transactions might possibly take the following form with such variations as conditions in each instance would warrant:

- (i) 25% of the purchase price of each airplane to be paid in United States dollars by the purchaser at or prior to the time of the execution of the purchase contract;
- (ii) 75% of the purchase price of each airplane to be received by the company in United States dollars at the time of delivery of such airplane, either directly from the purchaser or through the proceeds of the sale of notes of the purchaser, providing for the payment in United States dollars of the said amount over not more than a three-year period in equal periodic installments, such notes to be secured by a mortgage to the holder on the airplane;
- (iii) The national bank of the country involved, or a bank in that country acceptable to the company, to guarantee to the financing agency that it will transfer U. S. dollars to the financing agency representing the value of the local currency as presented to the local bank by the air line for payment on the notes;
- (iv) The company to accept recourse in no event to exceed $37\frac{1}{2}\%$ of the purchase price of the airplane;
- (v) The term "airplane" to include spare parts normally ordered in connection therewith not to exceed in dollar value 20% of the purchase price of the airplane.

At this point Mr. Zevely retired from the room.

5. The financial statements as of February 28, 1954 were next received, commented on by the Chairman, discussed and filed.

(b) The credit standing and the form of the transaction shall in each instance have the prior approval of a majority of the members of a committee hereby appointed to consist of: Messrs. Frank Pace, Jr., J. V. Walsh and Lambert J. Davis.

Further discussion ensued and Mr. Walsh by way of explanation

stated that he thought the transactions might possibly take the following form with such variations as conditions in each instance would

require:

- (i) 5% of the purchase price of each airplane to be paid in United States dollars by the purchaser at or prior to the time of the execution of the purchase contract;
- (ii) 75% of the purchase price of each airplane to be received by the company in United States dollars at the time of delivery of each airplane, either directly from the purchaser or through the proceeds of the sale of notes of the purchaser, providing for the payment in United States dollars of the said amount over not more than a three-year period in equal periodic installments, such notes to be secured by a mortgage to the holder on the airplane;
- (iii) The national bank of the country involved, or a bank in that country acceptable to the company, to guarantee to the financing agency that it will transfer U. S. dollars to the financing agency on representing the value of the local currency as presented to the local bank by the air line for payment on the notes;
- (iv) The company to accept recourse in no event to exceed 75% of the purchase price of the airplane;
- (v) The term "airplane" to include spare parts normally ordered in connection therewith but to exceed in dollar value 10% of the purchase price of the airplane.

At this point Mr. Davis withdrew from the room.

5. The financial statements as of February 28, 1935 were

next received, commented on by the Chairman, discussed and filed.

6. At the request of the Chairman, General McNarney then presented requests for contributions. Upon a motion duly made, seconded and unanimously carried, the following contributions were approved:

- (a) \$3,000 to Red Cross, San Diego, additional contribution.
- (b) \$1,000 to Diagnostic Laboratory for the San Diego County Heart Association.
- (c) \$2,500 to Texas Christian University.
- (d) \$2,500 to Southern Methodist University.
- (e) \$2,500 to Texas Wesleyan College.
- (f) An amount, in the discretion of the President, not to exceed \$10,000 to California Western University, San Diego.
- (g) An increase of \$6,000, making the total contribution \$15,000, to the Young Men's Christian Association, for a rehabilitation and construction program of that association in San Diego, extending over a three-year period.
- (h) \$25,000 to a fund for the establishment of the Jerome Clarke Hunsaker Professorship of Aeronautics at Massachusetts Institute of Technology.

7. At the request of the Chairman, Mr. Watts next recommended that a wholly-owned subsidiary corporation be created for the purpose of operating those radio stations presently operated by the company under licenses granted by the Federal Communications Commission. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolutions were adopted:

RESOLVED that the officers of the company be and they hereby are authorized and instructed to organize or cause to be organized as a wholly-owned subsidiary a Delaware corporation with authorized capital stock of \$100,000 shares of \$1 par value common stock, to commence business with a minimum capital of \$1,000; and be it further

RESOLVED that the officers of the company be and they hereby are authorized to transfer or cause to be transferred to said subsidiary corporation, in exchange for an appropriate amount (to be agreed upon by said

6. At the request of the Chairman, General Hollister, the presented requests for contributions. Upon a motion duly made, seconded and unanimously carried, the following contributions were

approved:

- (a) \$3,000 to Red Cross, San Diego, additional contribution.
- (b) \$1,000 to Diagnostic Laboratory for the San Diego County Heart Association.
- (c) \$2,500 to Texas Christian University.
- (d) \$2,500 to Southern Methodist University.
- (e) \$2,500 to Texas Wesleyan College.
- (f) As a result, in the direction of the President, not to exceed \$10,000 to California Western University, San Diego.
- (g) As a result of \$5,000, making the total contribution \$15,000, to the Young Men's Christian Association, for a rehabilitation and construction program of that association in San Diego, extending over a three-year period.
- (h) \$25,000 to a fund for the establishment of the James H. Doolittle Professorship of Economics at Massachusetts Institute of Technology.

7. At the request of the Chairman, Mr. White next recommended

that a wholly-owned subsidiary corporation be created for the purpose of operating those radio stations presently operated by the company under licenses granted by the Federal Communications Commission. After consideration and upon a motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED that the officers of the company be and they hereby are authorized and instructed to organize or cause to be organized as a wholly-owned subsidiary a separate corporation with authorized capital stock of \$100,000 divided into 100,000 shares of \$1.00 each; and to acquire business with a minimum capital of \$1,000; and to do so as soon as possible.

RESOLVED that the officers of the company be and they hereby are authorized to transfer or cause to be transferred to said subsidiary corporation, in exchange for an appropriate amount (to be agreed upon by said

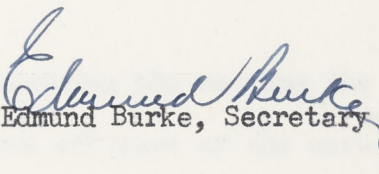
officers and the directors of said subsidiary corporation) of fully-paid shares of the stock of said subsidiary corporation, the sum of \$1,000 in cash and company-owned radio transmitting and receiving equipment as designated by said officers; and be it further

RESOLVED that the officers of the company be and they hereby are authorized to enter into a further contract with said subsidiary corporation under which, for a period of not to exceed ten (10) years, the control and maintenance of radio stations of the character heretofore operated by the company under licenses from the Federal Communications Commission will be undertaken by said subsidiary corporation and under which the company will pay to said subsidiary corporation a nominal management fee plus current reimbursement of all of its costs and expenses, of whatever nature; and be it further

RESOLVED that the officers of the company be and they hereby are authorized to take such action and to execute such documents as may be deemed necessary or advisable in order to effectuate the foregoing.

8. The Chairman then announced that in the event of the consummation of the proposed agreement of merger of this company with and into General Dynamics Corporation, there will be a meeting of the Board of Directors of the Surviving Corporation at 2:00 p.m. on Friday, April 30, 1954, at the Mayflower Hotel, Washington, D. C.

9. There being no further business to come before the meeting, it was thereupon adjourned.


Edmund Burke, Secretary

officers and the directors of said subsidiary corporation (or fully-paid shares of the stock of said subsidiary corporation, the sum of \$1,000 in cash and company-owned radio transmitting and receiving equipment as designated by said officers; and be it further

RESOLVED that the officers of the company be and they hereby are authorized to enter into a further contract with said subsidiary corporation under which, for a period of not to exceed ten (10) years, the control and maintenance of radio stations of the character herebefore operated by the company under license from the Federal Communications Commission will be undertaken by said subsidiary corporation and under which the company will pay to said subsidiary corporation a monthly management fee plus current reimbursement of all of its costs and expenses, of whatever nature; and be it further

RESOLVED that the officers of the company be and they hereby are authorized to take such action and to execute such documents as may be deemed necessary or advisable in order to effectuate the foregoing.

2. The Chairman then announced that in the event of the

continuance of the proposed agreement of merger of this company with and into General Ignition Corporation, there will be a meeting of the Board of Directors of the Surviving Corporation at 3:00 p.m. on Friday, April 30, 1935, at the Mayflower Hotel, Washington, D. C.

3. There being no further business to come before the meeting, it was thereupon adjourned.

Witness my hand and seal this 26th day of January, 1935.

MINUTES OF THE SPECIAL (IN LIEU OF ANNUAL)
MEETING OF SHARE OWNERS
OF CONSOLIDATED VULTEE AIRCRAFT CORPORATION
HELD THURSDAY, APRIL 29, 1954

The special (in lieu of annual) meeting of share owners of Consolidated Vultee Aircraft Corporation was held on April 29, 1954, at 129 South State Street, Dover, Delaware, at 11 o'clock in the forenoon.

John Jay Hopkins, Chairman of the Board of Directors of the corporation, acted as Chairman of the meeting, and Edmund Burke, Secretary of the corporation, acted as Secretary of the meeting.

1. Calling of Meeting to Order

The Chairman announced that the special (in lieu of annual) meeting of share owners was being called to order and, pursuant to Section 1 of Article IX of the Bylaws of the corporation, he would act as Chairman of the meeting, and Edmund Burke, Secretary of the corporation, would act as Secretary of the meeting.

2. Introduction of Directors
and Officers Present

The Chairman introduced to those attending the meeting the following members of the Board of Directors and officers of the corporation who were present at the meeting: Ellsworth C. Alvord, George W. Codrington, LaMotte T. Cohu, Lambert J. Gross, Roger I. Harris, S. R. Inch, I. M. Laddon, Henry M. Marx, Clifton M. Miller and O. Pomeroy Robinson, Directors; Frank Pace, Jr., Director and Vice

MINUTES OF THE SPECIAL (IN LIEU OF ANNUAL)
MEETING OF SHARE OWNERS
OF CONSOLIDATED WATER AIRCRAFT CORPORATION
Held Thursday, April 23, 1932

The special (in lieu of annual) meeting of share owners of Consolidated Water Aircraft Corporation was held on April 23, 1932, at 125 South State Street, Dover, Delaware, at 11 o'clock in the forenoon.

John Jay Hopkins, Chairman of the Board of Directors of the corporation, acted as Chairman of the meeting, and Edmund Burke, Secretary of the corporation, acted as Secretary of the meeting.

1. Calling of Meeting to Order

The Chairman announced that the special (in lieu of annual) meeting of share owners was being called to order and, pursuant to Section 1 of Article IX of the Bylaws of the corporation, he would act as Chairman of the meeting, and Edmund Burke, Secretary of the corporation, would act as Secretary of the meeting.

2. Introduction of Directors and Officers Present

The Chairman introduced to those attending the meeting the following members of the Board of Directors and officers of the corporation who were present at the meeting: Edward G. Alford, George W. Cunningham, LeRoy T. Cobb, Lambert J. Gross, Roger I. Harris, E. M. Irish, T. M. Landon, Henry M. Mann, Clifford M. Miller and O. Ramsey Robinson, Directors; Frank Pace, Jr., Director and Vice

Chairman of the Board; Lawrence B. Richardson, Director and Vice Chairman of the Board; J. V. Naish, Director and Executive Vice President; Robert B. Watts, Vice President and General Counsel; D. T. Fisher, Controller; G. T. Bovee, Treasurer, and Edward F. Jones, Assistant to the President.

3. Determination of the Presence
of a Quorum

At the request of the Chairman, the Secretary reported that there were present in person or by proxy, share owners holding 1,933,534 fully-paid and partly-paid shares of common stock of the corporation out of a total of 2,379,298 fully-paid and 300 partly-paid shares of such common stock issued and outstanding (and not belonging to the corporation) at the close of business on March 26, 1954, all of which were entitled to one vote per share. The Chairman thereupon announced that a quorum of the share owners was present or represented at the meeting and that the same was legally convened for the transaction of business.

4. Presentation of Supporting
Documents

At the request of the Chairman, the Secretary presented:

- (a) The notice of call of the meeting, together with (i) the affidavit of The Chase National Bank stating that a copy of said notice had been served upon every share owner of the corporation in the manner and within the time required by the Bylaws of the corporation and the State of Delaware, and (ii) the affidavit of The Journal-Every Evening stating that like notice had been published in Wilmington, Delaware, in said newspaper once a week for four successive weeks in accordance with the laws of the State of Delaware.

Chairman of the Board; Lawrence E. Richardson, Director and Vice
 Chairman of the Board; J. V. Walsh, Director and Executive Vice
 President; Robert E. Watts, Vice President and General Counsel;
 D. T. Fisher, Controller; G. T. Boyce, Treasurer, and Edward V. Jones,
 Assistant to the President.

3. Information of the Presence of a Quorum

At the request of the Chairman, the Secretary reported
 that there were present in person or by proxy, share owners holding
 1,933,333 fully-paid and partly-paid shares of common stock of the
 corporation out of a total of 2,379,298 fully-paid and 300 partly-paid
 shares of such common stock issued and outstanding (and not belonging
 to the corporation) at the close of business on March 26, 1925, all of
 which were entitled to one vote per share. The Chairman thereupon
 announced that a quorum of the share owners was present or represented
 at the meeting and that the same was legally convened for the trans-
 action of business.

4. Presentation of Resolutions

At the request of the Chairman, the Secretary presented:

- (a) The notice of call of the meeting, together with
 (1) the affidavit of the Chase National Bank stating that
 a copy of said notice had been served upon every share
 owner of the corporation in the manner and within the time
 required by the laws of the corporation and the State of
 Delaware; and (2) the affidavit of the Journal-Beechey Printing
 Company stating that the notice had been published in Wilmington,
 Delaware, in said newspaper once a week for four successive
 weeks in accordance with the laws of the State of Delaware.

(b) A complete list of the share owners entitled to vote at the meeting, arranged in alphabetical order, containing the names and addresses of the share owners and the number of shares held by them, respectively. Such a list had been on file at 129 South State Street, Dover, Delaware, for at least ten days preceding the meeting.

(c) The minute books of the corporation.

(d) Copies of the annual report of the corporation for 1953.

(e) Copies of the Bylaws of the corporation and of the Agreement of Merger of Vultee Aircraft Inc. with and into Consolidated Aircraft Corporation, with his certificate appended thereto in each case.

(f) Copies of the proxy statement of the corporation dated March 26, 1954.

5. Statement of the Objects
of the Meeting

The Chairman announced that as stated in the notice of the meeting, the objects of the meeting were:

(a) The consideration and voting upon the adoption or rejection of an Agreement of Merger providing for the merger of Consolidated Vultee Aircraft Corporation with and into General Dynamics Corporation; and the authorization of the directors and officers of Consolidated Vultee Aircraft Corporation to take all action necessary or desirable to carry out the terms of said Agreement of Merger.

(b) The consideration and voting upon the approval or rejection of an Incentive Compensation Plan adopted by the Board of Directors.

(c) The consideration of and action upon any other business which may properly come before the meeting or any adjournment or adjournments thereof.

(b) A complete list of the share owners entitled to vote at the meeting, arranged in alphabetical order, containing the names and addresses of the share owners and the number of shares held by them, respectively. Such a list had been on file at 119 South State Street, Dover, Delaware, for at least ten days preceding the meeting.

(c) The minute books of the corporation.

(d) Copies of the annual report of the corporation for 1953.

(e) Copies of the plans of the corporation and of the agreement of merger of United Aircraft Inc. with and into Consolidated Aircraft Corporation, with the certificate signed thereon in each case.

(f) Copies of the proxy statement of the corporation dated March 26, 1954.

2. Statement of the Objects of the Meeting

The Chairman announced that as stated in the notice of the

meeting, the objects of the meeting were:

(a) The consideration and voting upon the adoption or rejection of an agreement of merger providing for the merger of Consolidated Aircraft Corporation with and into General Dynamics Corporation; and the authorization of the directors and officers of Consolidated Aircraft Corporation to take all action necessary or desirable to carry out the terms of said agreement of merger.

(b) The consideration and voting upon the approval or rejection of an incentive Compensation Plan adopted by the Board of Directors.

(c) The consideration of and action upon any other business which may properly come before the meeting or any adjournment or adjournments thereof.

6. Judges of Election

The Chairman stated that Edmund Burke and John J. Hayes had been appointed by the Board of Directors to act as Judges of Election, and at the request of the Chairman, the Secretary presented an executed copy of the oath of the Judges of Election to be filed with the records of the meeting.

7. Proposals to be Voted on, to be
Included in one Ballot:

The Chairman stated that it was then in order to vote upon the following proposals which were set forth in the notice of meeting, and that one ballot would be used for voting on the said proposals.

Proposals No. 1 - Agreement of Merger dated as of
April 29, 1954.

No. 2 - Incentive Compensation Plan of
Consolidated Vultee Aircraft Corporation.

The Chairman further stated that a copy of the Agreement of Merger was annexed as Exhibit A to the Proxy Statement dated March 26, 1954, which was mailed to all share owners of record as of March 26, 1954, and that a number of copies of the Agreement of Merger were available at the meeting. He further stated that a copy of the Incentive Compensation Plan was mailed to all share owners of record as of March 26, 1954, as Exhibit F to the Proxy Statement dated March 26, 1954, and a number of copies of the Plan were also available at the meeting.

The Chairman then recognized Henry M. Marx, a share owner of the corporation, who presented and moved the adoption of the following resolutions:

6. Action of Election

The Chairman stated that Edmund Byrne and John J. Hayes had been appointed by the Board of Directors to act as Judges of Election, and at the request of the Chairman, the Secretary presented an annotated copy of the oath of the Judges of Election to be filed with the records of the meeting.

7. Proposals to be Voted on, to be
Included in the Ballot:

The Chairman stated that it was then in order to vote upon the following proposals which were not forth in the notice of meeting, and that one ballot would be used for voting on the said proposals.

Proposal No. 1 - Agreement of Hanger dated as of April 22, 1951.

No. 2 - Incentive Compensation Plan of Consolidated Nitro-Alkali Corporation.

The Chairman further stated that a copy of the Agreement of Hanger was annexed as Exhibit A to the Proxy Statement dated March 26, 1951, which was mailed to all share owners of record as of March 26, 1951, and that a number of copies of the Agreement of Hanger were available at the meeting. He further stated that a copy of the Incentive Compensation Plan was mailed to all share owners of record as of March 26, 1951, as Exhibit B to the Proxy Statement dated March 26, 1951, and a number of copies of the Plan were also available at the meeting.

The Chairman then recognized Henry K. Marx, a share owner of the corporation, who presented and moved the adoption of the following

resolution:

I

RESOLVED (1) that the Agreement of Merger dated as of April 29, 1954 of the Corporation with and into General Dynamics Corporation, declared advisable and entered into by the Board of Directors of the Corporation and of General Dynamics Corporation and executed by each of such directors, be and hereby is in all respects authorized, adopted and approved;

(2) that the proper officers of the Corporation be and hereby are authorized (a) to take such action relating to the certification, execution and acknowledgment of said Agreement of Merger as may be required by the laws of the State of Delaware and (b) to cause said Agreement of Merger to be filed in the office of the Secretary of State of the State of Delaware and a certified copy thereof to be recorded in the office of the Recorder of Kent County, Delaware and in the office of the Recorder of New Castle County, Delaware; and

(3) that the proper officers and directors of the Corporation be and hereby are authorized to take any and all further action and to execute any and all further documents deemed necessary or advisable to consummate and effectuate said Agreement of Merger.

II

RESOLVED that the Incentive Compensation Plan of Consolidated Vultee Aircraft Corporation set forth as Exhibit F to the Proxy Statement dated March 26, 1954 declared advisable, adopted and approved by the Board of Directors of the Corporation, be and hereby is, in all respects, authorized, adopted and approved and that the proper officers and directors of the Corporation be and hereby are authorized to take any and all action to execute any and all documents deemed necessary or advisable to effectuate the foregoing.

The Chairman then recognized J. V. Naish, a share owner of the corporation, who seconded the motion.

I

RESOLVED (1) that the Agreement of Morgan dated as of April 25, 1922 of the Corporation with and into General Insurance Corporation, declared advisable and entered into by the Board of Directors of the Corporation and of General Insurance Corporation and executed by each of said directors, be and hereby is in all respects authorized, adopted and approved;

(2) that the proper officers of the Corporation be and hereby are authorized (a) to take such action relating to the certification, execution and acknowledgment of said Agreement of Morgan as may be required by the laws of the State of Delaware and (b) to cause said Agreement of Morgan to be filed in the office of the Secretary of State of the State of Delaware and a certified copy thereof to be retained in the office of the Recorder of Kent County, Delaware and in the office of the Recorder of New Castle County, Delaware; and

(3) that the proper officers and directors of the Corporation be and hereby are authorized to take any and all further action and to execute any and all further documents deemed necessary or advisable to consummate and effectuate said Agreement of Morgan.

II

RESOLVED that the Executive Corporation plan of Consolidated Water Supply Corporation set forth as Exhibit B to the Proxy Statement dated March 25, 1922, declared advisable, adopted and approved by the Board of Directors of the Corporation, be and hereby is, in all respects, authorized, adopted and approved and that the proper officers and directors of the Corporation be and hereby are authorized to take any and all action to execute any and all documents deemed necessary or advisable to effectuate the foregoing.

The Chairman then recognized J. V. Walsh, a share owner of

the corporation, who seconded the motion.

8. Voting on Proposals

The Chairman requested share owners and their proxies to cast their ballots with respect to the foregoing resolutions and emphasized that share owners desiring to vote in favor of the foregoing resolutions need not make any indication in the spaces provided on their ballots for voting "for" or "against"; that it would be sufficient for such share owners merely to sign their respective ballots and any ballot not marked "against", constituted a vote "for".

9. Remarks of the Chairman and Offer to Answer Inquiries

The Chairman stated that a number of officers of the corporation were present at the meeting and that while the Judges of Election were collecting the ballots, the officers would be glad to answer any pertinent and proper inquiry made by any share owner.

10. Inquiry by Chairman as to Additional Votes and Closing of Polls

The Judges of Election reported that they had completed the collection of the ballots cast for the proposals being voted upon.

The Chairman then asked if all share owners present who desired to vote upon the proposals before the meeting had cast their ballots. It having appeared that all share owners had done so, the Chairman stated that a motion to close the polls was in order.

The Chairman then recognized I. M. Laddon, a share owner of the corporation, who made a motion that the polls be closed, after

3. Voting on Proposals

The Chairman requested share owners and their proxies to cast their ballots with respect to the foregoing resolutions and explained that share owners desiring to vote in favor of the foregoing resolutions need not make any indication in the spaces provided on their ballots for voting "for" or "against"; that it would be sufficient for each share owner merely to sign their respective ballots and any ballot not marked "against", constituted a vote "for".

4. Remarks of the Chairman and Offer to Answer Inquiries

The Chairman stated that a number of officers of the corporation were present at the meeting and that while the judges of election were collecting the ballots, the officers would be glad to answer any questions and proper inquiry made by any share owner.

5. Inquiry by Chairman as to Additional Votes and Closing of Polls

The judges of election reported that they had completed the collection of the ballots and for the proposals being voted upon. The Chairman then asked if all share owners present who desired to vote upon the proposals before the meeting had cast their ballots. It having appeared that all share owners had done so, the Chairman stated that a motion to close the polls was in order. The Chairman then recognized J. H. Lashin, a share owner of the corporation, who made a motion that the polls be closed, after

which the Chairman recognized Mr. Cohu, a share owner of the corporation, who seconded the motion. There being no objections to the motion, the Chairman declared the polls closed.

11. Offer to Answer Further Inquiries

The Chairman announced that while the Judges of Election were preparing their report, the officers of the corporation would be glad to answer any further pertinent and proper inquiries made by any share owner.

12. Presentation of Judges' Report

At the invitation of the Chairman, the Judges of Election presented their written report showing that there had been received and counted the ballots of the share owners;

(I) that the vote of the holders of 1,759,733 fully-paid and partly-paid shares of Common Stock of the corporation (73.95% of the total number of such shares) had been cast in favor of the resolution adopting and approving the Agreement of Merger and that the votes of the holders of 51,761 fully-paid and partly-paid shares of Common Stock of the Corporation (2.17% of the total number of such shares) had been cast against said resolution;

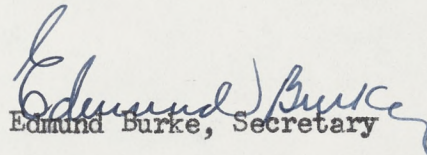
(II) that the votes of the holders of 1,841,094 fully-paid and partly-paid shares of Common Stock of the corporation (77.36% of the total number of such shares) had been cast in favor of the resolution approving the Incentive Compensation Plan of Consolidated Vultee Aircraft Corporation and that the votes of the holders of 91,540

fully-paid and partly-paid shares of Common Stock of the corporation (3.84% of the total number of such shares) had been cast against the said resolution.

The Chairman thereupon declared that the foregoing resolution relating to the Agreement of Merger had been approved by the votes of the holders of at least two-thirds of the total number of shares of the Capital Stock of the corporation and that the foregoing resolution relating to the said Incentive Compensation Plan had been approved by the votes of the holders of at least a majority of such shares and that said Agreement of Merger and said Incentive Compensation Plan had been duly approved. He directed the Secretary to file the Report of the Judges with the records of the meeting.

13. Adjournment

The Chairman asked if there was any further business to be brought before the meeting. No further business having been presented, the Chairman recognized George W. Codrington, a share owner of the corporation, who moved that the meeting be adjourned. The Chairman then recognized S. R. Inch, a share owner of the corporation, who seconded the motion. The Chairman then presented the motion to adjourn and there being no opposed votes, the Chairman announced the motion as having been carried and declared the meeting adjourned.


Edmund Burke, Secretary

fully-paid and partly-paid shares of Common Stock of the corporation (3,812 of the total number of such shares) had been cast against the said resolution.

The Chairman thereupon declared that the foregoing resolution relating to the agreement of merger had been approved by the votes of the holders of at least two-thirds of the total number of shares of the Capital Stock of the corporation and that the foregoing resolution relating to the said Incentive Corporation Plan had been approved by the votes of the holders of at least a majority of such shares and that said agreement of merger and said Incentive Corporation Plan had been duly approved. He directed the Secretary to file the report of the judges with the records of the meeting.

12. Adjournment

The Chairman asked if there was any further business to be brought before the meeting. No further business having been presented, the Chairman recognized George W. Johnston, a share owner of the corporation, who moved that the meeting be adjourned. The Chairman then recognized S. H. Lusk, a share owner of the corporation, who seconded the motion. The Chairman then presented the motion to adjourn and there being no opposed votes, the Chairman announced the motion as having been carried and declared the meeting adjourned.

George W. Johnston
Shareholder, Secretary

CONSOLIDATED VULTEE AIRCRAFT CORPORATION
MAILING AFFIDAVIT-SPECIAL (IN LIEU OF ANNUAL) MEETING

NOTICE OF SPECIAL (IN LIEU OF ANNUAL)

STATE OF NEW YORK)

) SS:

TO THE STATE OF NEW YORK)
COUNTY OF NEW YORK)

CONSOLIDATED VULTEE AIRCRAFT CORPORATION

E. J. SMITH, being duly sworn, deposes and says:

NOTICE IS HEREBY GIVEN that a special (in lieu of annual) meeting of share owners of Consolidated Vultee Aircraft Corporation, a corporation organized under the laws of the State of New York, will be held at the State Street, Dover, Delaware, on April 1, 1954, at 11:00 a.m., to consider and take action with respect to the following:

That he is over 21 years of age and that he is a Second Vice President of The Chase National Bank of the City of New York; that under his supervision and to the best of his knowledge and belief, and at the request and direction of Edmund Burke, Secretary of Consolidated Vultee

(1) The consideration and voting upon the adoption or rejection of an Amendment of Merger provided for in the Charter of said Corporation, which is attached to the annexed Proxy Statement as Exhibit A, and the request and direction of Edmund Burke, Secretary of Consolidated Vultee Aircraft Corporation, copies of the Notice of Special (in lieu of Annual) Meeting of the stockholders of said Company, a copy of which is hereto

(2) The consideration and voting upon the adoption or rejection of a resolution to amend the Charter of said Corporation, which is attached to the annexed Proxy Statement as Exhibit B, and the request and direction of Edmund Burke, Secretary of Consolidated Vultee Aircraft Corporation, copies of the Notice of Special (in lieu of Annual) Meeting of the stockholders of said Company, a copy of which is hereto

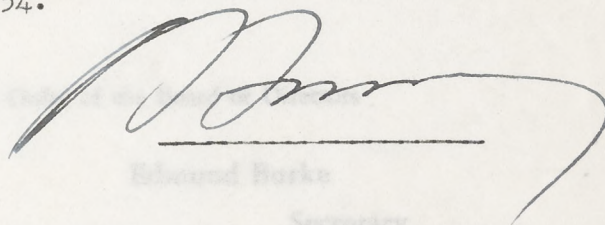
(3) The consideration of and action upon any other business which may come before the meeting, which is attached to the annexed Proxy Statement as Exhibit C, and the request and direction of Edmund Burke, Secretary of Consolidated Vultee Aircraft Corporation, copies of the Notice of Special (in lieu of Annual) Meeting of the stockholders of said Company, a copy of which is hereto

annexed, marked Exhibit "A", enclosed in sealed, postpaid envelopes, one of which was addressed to each holder of record of Common stock of said Company as such holder's name and address appeared upon the books of the

Company at the close of business on March 26, 1954, were mailed in the

United States Post Office, Church Street Station, the City of New York,

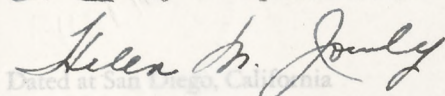
N. Y., on March 31, 1954 and April 1, 1954.



Edmund Burke
Secretary

Sworn to before me this

2nd day of April 1954.



HELEN M. JOWLY

Notary Public, State of New York

No. 24-2006050

Qualified in Kings County

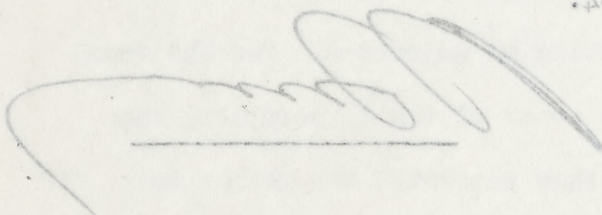
Certificate filed with New York County Clerk

Commission Expires March 30, 1955

MAILING AFFIDAVIT-SPECIAL (IN LIEU OF ANNUAL) MEETING

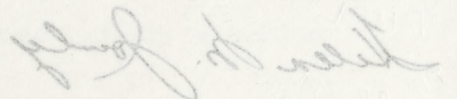
STATE OF NEW YORK)
(ss:
COUNTY OF NEW YORK)

E. J. SMITH, being duly sworn, deposes and says:
That he is over 21 years of age and that he is a Second Vice President
of The Chase National Bank of the City of New York; that under his
supervision and to the best of his knowledge and belief, and at the
request and direction of Edmund Burke, Secretary of Consolidated Vlttee
Aircraft Corporation, copies of the Notice of Special (in lieu of Annual)
Meeting of the stockholders of said Company, a copy of which is hereto
annexed, marked Exhibit "A", enclosed in sealed, postpaid envelopes, one
of which was addressed to each holder of record of Common stock of said
Company as such holder's name and address appeared upon the books of the
Company at the close of business on March 26, 1954, were mailed in the
United States Post Office, Church Street Station, the City of New York,
N. Y., on March 31, 1954 and April 1, 1954.



Sworn to before me this

_____ day of April 1954.



ERLEN M. JOWLY
Notary Public, State of New York
No. 24-2006020
Qualified in Kings County
Certificate filed with New York County Clerk
Commission Expires March 30, 1955

Exhibit "A"

CONSOLIDATED VULTEE AIRCRAFT CORPORATION

NOTICE OF SPECIAL (IN LIEU OF ANNUAL) MEETING OF SHARE OWNERS

To the Share Owners of

CONSOLIDATED VULTEE AIRCRAFT CORPORATION

NOTICE IS HEREBY GIVEN that a special (in lieu of annual) meeting of share owners of Consolidated Vultee Aircraft Corporation, a Delaware corporation (hereinafter called Convair) will be held at 129 South State Street, Dover, Delaware, on April 29, 1954, at 11 o'clock a.m., to consider and take action with respect to the following:

(1) The consideration and voting upon the adoption or rejection of an Agreement of Merger providing for the merger of Convair with and into General Dynamics Corporation (Dynamics), copy of which is attached to the annexed Proxy Statement as Exhibit A; and the authorization of the directors and officers of Convair to take all action necessary or desirable to carry out the terms of said Agreement of Merger.

(2) The consideration and voting upon the approval or rejection of an Incentive Compensation Plan adopted by the Board of Directors. A copy of said Plan accompanies and is made part of the Proxy Statement being mailed to share owners of Convair.

(3) The consideration of and action upon any other business which may properly come before the meeting or any adjournment or adjournments thereof.

The close of business on March 26, 1954, has been fixed as the record date for determining share owners entitled to receive notice of and to vote at this special (in lieu of annual) meeting or any adjournment or adjournments thereof, and only share owners of record at said time and date are entitled to receive notice of and to vote at said meeting. The transfer books of Convair will not be closed.

All share owners are urged to attend the meeting, but if you are unable to do so the management respectfully requests that you sign, date and mail the enclosed proxy promptly in the enclosed addressed envelope which requires no postage if mailed within the United States. A majority of the outstanding Common Stock must be represented at the meeting to constitute a quorum for the transaction of business. Your prompt compliance with the foregoing request will be greatly appreciated.

By Order of the Board of Directors

Edmund Burke

Secretary

Dated at San Diego, California

March 26, 1954

CONSOLIDATED VULTEE AIRCRAFT CORPORATION

PROXY STATEMENT

The enclosed proxy is solicited by and on behalf of the management of Consolidated Vultee Aircraft Corporation (hereinafter called Convair) for use at the special (in lieu of annual) meeting of share owners to be held on April 29, 1954, and is revocable at any time before it is exercised. Convair is bearing the cost of solicitation.

It is the intention of the persons named in the enclosed form of proxy to vote such proxies as are received by them: For the adoption of the Agreement of Merger, and for the authorization of the directors and officers of Convair to take all action necessary or desirable to carry out its terms; and for the approval of the Incentive Compensation Plan. However, in the event of receipt by Convair prior to the special (in lieu of annual) meeting of share owners, of written notices of dissent to the adoption of the Agreement of Merger by holders of stock of Convair in such amount as may in the discretion of the Board of Directors, cause the consummation of the Agreement of Merger to be inadvisable, the persons so acting may refrain from voting shares of Convair as to which they act as proxies for the adoption of the said Agreement of Merger.

The management knows of no business to be brought before the meeting except the adoption of the Agreement of Merger and the authorization of the directors and officers of Convair to take all action necessary or desirable to carry out the terms of said Agreement of Merger, and the approval of the Incentive Compensation Plan. If, however, any other matters are presented at the meeting for action, it is intended that the persons named in the proxy (which confers discretionary authority with respect to transacting any such other business) will vote the proxy according to their best judgment.

Common stock is the sole voting security of Convair. As of March 26, 1954, there were 2,379,298 fully-paid and 300 partly-paid shares of Common Stock outstanding. The holders of the Common Stock are entitled to one vote per share. Shares represented by all properly executed proxies delivered pursuant to this solicitation will be voted at the meeting.

AGREEMENT OF MERGER OF CONSOLIDATED VULTEE AIRCRAFT CORPORATION WITH AND INTO GENERAL DYNAMICS CORPORATION

1. Agreement:

(a) The Boards of Directors of Dynamics and Convair have unanimously approved and adopted an Agreement of Merger of Convair with and into Dynamics, a copy of which Agreement is annexed hereto as Exhibit A and made a part hereof, and said Boards have declared said Agreement to be advisable and in the best interests of Convair and Dynamics and of their respective share owners.

Upon the effective date of the merger, the separate corporate existence of Convair will cease and it will be merged into Dynamics, which will be the Surviving Corporation, and all rights, privileges, powers and franchises and all property, real, personal and mixed, of Convair and of Dynamics, and all debts due to said corporations, will automatically vest in the Surviving Corporation.

Convair, however, will maintain its identity and continue under its own name as a separate organization, as a division of Dynamics.

(b) The Agreement of Merger includes the corporate powers of both constituent corporations. The powers set forth therein are therefore slightly broader than the present powers of Dynamics, paragraphs (h), (q), (r) and (s) of Article FOURTH of the Agreement of Merger, relating to acquisition of property, munitions, financing and agency, having been added thereto.

(c) Each share of Common Stock of the par value of \$1 per share of Convair issued and outstanding at the effective date of the merger will be converted into four-sevenths of one share of Common Stock of the par value of \$3 each of the Surviving Corporation and each holder of such Common Stock of Convair, upon presentation and surrender of his certificate or certificates therefor to the Surviving Corporation or its designated agent, will be entitled to one or more certificates representing shares of Common Stock of the Surviving Corporation at the rate of four-sevenths of one share of such Common Stock for each share of Common Stock of Convair represented by the certificate or certificates so surrendered. The 400,000 shares of Common Stock of Convair held and owned by Dynamics will not be converted into shares of Common Stock of the Surviving Corporation, and on the effective date of the merger such shares of Common Stock and the certificates representing the same will forthwith be surrendered for cancellation and extinguishment.

No fractional shares of Common Stock of the Surviving Corporation, nor certificates therefor, will be issuable in connection with the merger, but in lieu thereof there will be issued scrip certificates for fractional shares in bearer form, which will not entitle the holder thereof to any vote, dividend, or any right whatsoever as a share owner, except to receive, upon surrender of scrip certificates of like import representing in the aggregate the right to receive one or more full shares, a certificate for the number of full shares of Common Stock of the Surviving Corporation represented by the certificates so surrendered; after April 30, 1960 all such scrip certificates will be void for all purposes whatsoever.

The 300 shares of Common Stock of the par value of \$1 per share of Convair partly paid under Convair's Stock Purchase Plan, and all rights in respect thereof, will be converted into 171 partly paid shares of Common Stock of the par value of \$3 each of the Surviving Corporation and the holder of such partly paid shares of Common Stock of Convair, upon presentation and surrender of his certificates or certificate therefor to the Surviving Corporation or its designated agent, will be entitled to receive in exchange therefor one or more certificates representing 171 partly-paid shares of Common Stock of the Surviving Corporation, together with a scrip certificate for three-sevenths of a share of such Common Stock. Except as otherwise stated, the rights and liabilities of the holder of such shares and of the Surviving Corporation will not be changed from those of such holder and of Convair.

Generally, the Merger will not affect the rights of existing share owners of Dynamics except of course that additional shares of stock will be issued as a result thereof. Each share of Preferred Stock without par value of Dynamics and each share of Common Stock of the par value of \$3 each of Dynamics issued and outstanding at the effective date of the Merger will continue to be a share of Preferred Stock or Common Stock, as the case may be, of the Surviving Corporation.

(d) From and after the effective date of the merger there will be and be deemed to be reserved for issuance shares of Common Stock of the par value of \$3 each of the Surviving Corporation, under the Restricted Stock Option Plan of Dynamics (expressly made effective in respect of and binding upon the Surviving Corporation by the Agreement of Merger) upon exercise of the non-transferable Restricted Stock Options at any given time outstanding or thereafter granted thereunder, to the extent of 10% of the number of shares of such Common Stock outstanding at any given time. Under the said Restricted Stock Option Plan, the term of options shall not exceed seven years; the purchase price of optioned shares is set at 95% of the fair market value of such shares on the date of the grant of the respective options; the number of shares option-

able is subject to adjustment in the event of changes in capitalization but options outstanding at any time shall not exceed 10% of the shares of Common Stock of Dynamics outstanding at such time.

It should be noted that in December 1953 an action was instituted against Dynamics in the Court of Chancery, New Castle County, Delaware, by a holder of 10 shares of Common Stock and 3 shares of Preferred Stock of Dynamics, wherein the plaintiff requests that Dynamics be enjoined from permitting the exercise of options issued under the said Restricted Stock Option Plan and from issuing additional options thereunder. Counsel is of the opinion that a successful defense to said action will be made.

(e) The Incentive Compensation Plan of Dynamics dated March 7, 1952, the Retirement Plan of Dynamics dated March 7, 1952 and the Retirement Plan of Convair (effective October 1, 1941), as well as the Incentive Compensation Plan of Convair (effective commencing with the fiscal year ended November 30, 1953), the Electro Dynamic Hourly-Rate Employees Retirement Plan of Dynamics (effective as of January 1, 1954) and the Electric Boat Division Hourly-Rate Technical Design Employees Retirement Plan of Dynamics (effective as of January 1, 1954) if the latter three plans are approved by the share owners of the respective corporations, *inter alia*, will remain in effect as to the classes of officers and employees which would be covered thereby in the absence of the merger, e.g., the Convair Incentive Compensation Plan, after the merger, if first approved by the share owners of Convair, will remain in effect and separate from the similar Incentive Compensation Plan of Dynamics and will be applicable in respect of officers and employees of Convair as a division of the Surviving Corporation.

(f) The Agreement of Merger, *inter alia*, further provides that share owners of the Surviving Corporation, as is now the case in respect of share owners of Dynamics and Convair, will not be entitled to preemptive rights and provides for indemnification of officers and directors of the Surviving Corporation in accordance with the terms of the Delaware Code, substantially as at present provided in respect of officers and directors of Convair and Dynamics.

(g) The Agreement of Merger will be effective upon the filing thereof in the Office of the Secretary of State of the State of Delaware and the recording thereof in the Office of the Recorder of Kent County, Delaware and in the Office of the Recorder of New Castle County, Delaware.

2. Capitalization:

(a) Upon the effective date of the merger, the authorized Preferred Stock of the Surviving Corporation will be 157,383 shares (the number of such shares outstanding on February 1, 1954) thus eliminating the 10,922 shares of Preferred Stock of Dynamics which had been surrendered to Dynamics on or before such date for conversion into Common Stock of Dynamics in accordance with the conversion privilege of such Preferred Stock.

The authorized Common Stock of the Surviving Corporation will be 6,000,000 shares of the par value of \$3 each. The Board of Directors of Dynamics as the Surviving Corporation will, as now, have the right to authorize the issuance from time to time, without any further action by the share owners, of all or any shares of stock of the Surviving Corporation or options therefor (except the shares issuable upon consummation of the Agreement of Merger or shares reserved for other purposes, as hereinafter stated) for such consideration (not less than par value) and upon such terms as the Board of Directors may determine. The Board of Directors believes the additional authorization to be advisable and a wise precaution, so as to make shares of common stock available for equity financing or for the acquisition of other properties. The Board of Directors has no present intention or specific purpose in respect of the issuance, sale or other disposition of any shares of common stock of the Surviving Corporation other than in exchange for shares of common stock of Convair pursuant to the agreement of merger.

Dynamics and Convair as of February 10, 1954 were indebted to banks in the respective amounts of \$8,700,000, currently on a four year installment basis, and \$35,000,000, on a 90 day basis. The respective Credit Agreements in each instance require the consent of the banks to the merger. This consent has been obtained. Upon the effective date of the merger, it is expected that a new three year Credit Agreement will be entered into, making adequate credit available to the Surviving Corporation on a 90 day basis for working capital purposes. The indebtedness of Dynamics and Convair to the banks will be merged under the new

Credit Agreement into a single debt. While the terms of said new three year credit agreement have not yet been formulated, it is not expected that the rights of share owners of the Surviving Corporation will be materially limited or qualified by the debt securities to be issued thereunder. It is expected that, as at present, there will be minimum working capital and net asset provisions but it is not anticipated that the same will be burdensome.

(b) Upon the basis of shares and options outstanding as of February 1, 1954, the capitalization of the Surviving Corporation will be as follows:

Preferred Stock, \$2 cumulative no par convertible, stated value \$50 per share	
Authorized and outstanding.....	157,383 shares
Common Stock, par value \$3 each	
Authorized—6,000,000 shares	
Outstanding and Fully Paid.....	1,973,560 shares
Outstanding and Partly paid under Stock Purchase Plan.....	171 shares
Reserved:	
for Conversion of Preferred Stock.....	165,253 shares
for Restricted Stock Option Plan.....	197,356 shares
Restricted Stock Options for the purchase of Common Stock Authorized with respect to 10% of outstanding Common Stock.....	
Outstanding with respect to.....	54,018 shares

3. Opinions of Experts:

Dynamics and Convair, respectively, engaged Lehman Brothers and Blyth & Co., Inc., investment bankers, to give financial advice in connection with the merger. In addition, Dynamics and Convair jointly retained Sanderson & Porter, independent engineers, to express its opinion on the subject. All three firms have unanimously advised that the merger is feasible and desirable and that the terms thereof as set forth in the Agreement of Merger are fair and equitable. A copy of the report of Sanderson & Porter is annexed hereto as Exhibit B and hereby made a part hereof.

Sanderson and Porter will receive compensation for its services in an amount not to exceed \$15,000 plus its out of pocket expenses, estimated not to exceed \$2,000. After the effective date of the merger, Lehman Brothers and Blyth & Co. Inc. will receive compensation of their services in the aggregate amount of \$75,000. John D. Hertz a partner of Lehman Brothers and a Director named in the agreement of merger did not participate in the deliberations or in the opinion of Lehman Brothers relating to such financial advice and Mr. Hertz advises that he will not participate in any compensation to be paid to Lehman Brothers in connection therewith.

4. Information relating to Consolidated Vultee Aircraft Corporation and General Dynamics Corporation:

(a) Convair is engaged in the design, manufacture and sale of airplanes and missiles for military use and airplanes for commercial use. It also carries out research and development programs in atomics, electronics, aviation and other fields under contracts with the United States Government and for its own account. As of November 30, 1953, Convair had a backlog of orders, including estimated amounts under letters of intent, and contracts in negotiation, of approximately \$1,000,000,000, approximately 92 per cent of which represented United States Government business. Sales to the United States Government are subject to renegotiation and orders are subject to cancellation at its convenience. In connection with airplanes produced by Convair, engines and certain other parts are manufactured by others and installed by Convair.

Convair was one of the major producers of military aircraft during World War II and it has continued to supply the Government with military aircraft, ranging in size from the B-36 Intercontinental Bomber to the Model F-102 supersonic jet interceptor. As recently announced by the Defense Department, Convair

stands eighth in rank among top defense contractors in terms of dollar value of contracts awarded for all defense production since the beginning of the Korean emergency.

Convair's commercial transports, the Convair 240 and the newest version, the Convair 340, twin-engined transports, have been sold to most of the leading airlines, domestic and foreign. It is significant to note that approximately 90% of all airline passenger trips are under 500 miles and that Convair is the only company in the United States now producing the kind of airplane—the Convair 340—which operates most efficiently and economically at such distances.

The "firsts" achieved by the Convair organization include the first all-jet medium bomber, the first delta-wing aircraft, the first turbo-prop flying boat, the first ballistic-type missile, the first turbo-prop land based transport, the first intercontinental bomber, the first water based jet fighter, and the first supersonic all-weather interceptor.

For security reasons, little can be said of further "firsts" on which Convair engineers are now working. In general terms, however, it can be stated that Convair's current projects include:

The design and development of various types of guided missiles for both the United States Air Force and the United States Navy; development work leading to the application of nuclear power to aircraft; the study of a successor to the current Convair 340; the development of a supersonic intercontinental bomber; the development of a radically new type of Navy fighter; the study of water-based commercial transport possibilities; the study of "logistic transport" cargo aircraft possibilities; and the development of various types of electronic equipment, including missile guidance systems, piloted aircraft electronic systems, and commercial applications such as the Convair Charactron—a special purpose cathode ray tube which electronically projects transmitted words, numerals and images.

The principal plant of Convair is located in San Diego, California, on approximately 130 acres of land under long-term lease from the City of San Diego and contains approximately 2,440,000 square feet of floor space. The main office building, which was sold in 1952 and is now occupied under a long-term lease contains approximately 167,600 square feet of floor area. In addition, Convair currently occupies approximately 1,575,000 square feet of floor space in the San Diego area, designated as Plant No. 2, which is furnished by the Government, plus approximately 350,000 square feet of "off-site" building area.

Convair operates a major plant at Fort Worth, Texas located on approximately 563 acres of land and having approximately 4,328,000 square feet of floor space. This plant, including machinery and equipment, is leased from the United States Government. It is equipped for the production and maintenance of long-range multiple engine aircraft, as well as lighter aircraft.

Convair also leases a plant and machinery and equipment located at Pomona, California, from the United States Government. This plant, on approximately 141 acres, consists of approximately 1,330,000 square feet of floor space and is equipped to produce guided missiles and electronic equipment.

At Daingerfield, Texas, Convair subleases from the United States Government a plant with machinery and equipment which is currently devoted to experimental and development research work for the Government. This plant consists of approximately 118,000 square feet of floor space on approximately 23 acres.

(b) The business of Dynamics and its subsidiary Canadair Limited is divided broadly into two major categories: design and manufacture of aircraft and spare parts in Canada and design, construction and conversion of submarines in the United States. Dynamics at its Electro Dynamic Division at Bayonne, New Jersey, is engaged in the manufacture of electric motors and generators for marine and industrial use. As of February 28, 1954, Dynamics had a backlog of orders, including estimated amounts under awards and letters of intent (on a consolidated basis), of approximately \$231,000,000, of which approximately 96 per cent represented Government orders of the United States and Canada. As in the case of Convair, sales of Dynamics and Canadair are subject to renegotiation and orders are subject to cancellation by the governments concerned.

The Electric Boat Division of Dynamics, the sole private producer of submarines in the United States, is engaged primarily in the design, manufacture, conversion, overhaul and repair of submarines, principally

for the United States Navy. In this work, it is following a long tradition, its predecessor having delivered a submarine to the Navy in 1900. The Division is currently constructing two nuclear powered submarines, the "Nautilus" (launched in January, 1954) and the "Sea Wolf," under contract with the United States Navy. The Division has also delivered fleet-type, anti-submarine ("killer") and target submarines under contracts with the United States Navy. In addition, the Division is currently completing construction of two submarines for the Peruvian Navy. The Division is also engaged in work for the Atomic Energy Commission's projects at Hanford, Washington, and Oak Ridge, Tennessee and has participated in the so-called "Guppy" program of the United States Navy, which consists of the conversion and modernization of existing submarines. In connection with submarines produced by Dynamics, propulsion machinery, pumps, and certain other parts are supplied by the customer and installed by Dynamics.

Canadair Limited, a leading Canadian aircraft manufacturer, since 1947 a subsidiary of Dynamics, is engaged in the manufacture near Montreal of aircraft and spare parts and in the modification and overhaul of aircraft. Until 1950, Canadair was engaged in the manufacture of four-engine "North Star" or "Argonaut" transport planes, a modification of the Douglas DC-4, which were sold to Canadian and British airlines and to the Royal Canadian Air Force. Under license from North American Aviation, Inc. to the Canadian Government, Canadair is producing F-86 jet fighters and, under license from Lockheed Aircraft Corporation to the Canadian Government, T-33 two-seater jet trainers for the Royal Canadian Air Force. In addition, Canadair was recently awarded a contract for large maritime reconnaissance aircraft for the Royal Canadian Air Force. As an airframe manufacturer, Canadair does not manufacture engines and some other parts, but installs them. In the case of government business, engines and some parts are supplied by the customer.

Canadair is a participant in the development of the guided-missile program now carried on by the Canadian Government. Canadair also services, and manufactures spare parts for, the four-engine transport planes manufactured by it prior to 1950 and, under license from Douglas Aircraft Company, Inc., manufactures and supplies replacement parts for DC-3, DC-4, C-47 and C-54 transport planes for both military and commercial customers in many parts of the world.

The plant of the Electric Boat Division, located on deep water on the Thames River, Groton, Connecticut, occupies an area of approximately 63 acres and contains a combined floor area of approximately 715,000 square feet. The remainder of the area includes shipbuilding ways, roads, docks, storage facilities, utilities, parking lots and housing accommodations. The facilities and all of the land are owned by Dynamics (with the exception of certain equipment and miscellaneous buildings belonging to the United States Navy). A new building for the design department has recently been completed.

The plant of the Electro Dynamic Division, owned by the Corporation and located at Bayonne, New Jersey, occupies an area of approximately 4.6 acres and has a manufacturing floor space of approximately 156,000 square feet. Another factory building at Bayonne, not in use, is now subject to negotiation for sale.

The plants of Canadair Limited, located on approximately 125 acres at the Cartierville Airport near Montreal, have floor space in the aggregate of 2,400,000 square feet. The facilities consist of the main plant (Plant No. 1), acquired by Canadair from an agency of the Canadian Government in 1949 subject to a first mortgage described on the consolidated balance sheet of Dynamics and subsidiary, together with an addition thereto erected in 1950, and the Noorduyt Plant (Plant No. 2) at the Cartierville Airport and a hangar building at Dorval Airport, held under lease from the Canadian Government.

(c) Summary of Earnings

Convair

The following summary of earnings of Convair for the five years ended November 30, 1953 has been compiled from its published annual reports. For further details with respect to the three years ended November 30, 1953, reference is made to the financial statements and the notes thereto included herein as Exhibit C. Inasmuch as the major portion of the manufacturing operation of Convair is directed to the production of military aircraft, its future operations are to a large extent dependent on the national defense program of the

United States. Such business during the last five years approximated 92 percent of the total sales of Convair. Sales include reimbursable expenditures and fees under cost plus fixed fee contracts.

	1949	1950	1951	1952	1953
Net sales and Other Income					
(a and b)	\$197,316,473	\$256,127,604	\$322,295,323	\$391,314,144	\$370,901,190
Costs and Expenses	193,112,061	246,007,601	310,308,212	372,801,334	353,424,094
Interest Expense	491,256	392,914	436,587	1,717,480	1,792,033
Federal Taxes on Income Without Giving Effect to Carry-Forward of Operating Losses as Provided in the Internal Revenue Code	1,400,000	4,250,000	6,610,000	8,500,000	8,350,000
Profit on Sale of Office Building and Securities (Less \$310,000 of Federal Taxes Applicable Thereto)	—	—	—	885,881	—
Profit as Restated Before Recoveries and Adjustments of Federal Taxes on Income . .	2,313,156	5,477,089	4,940,524	9,181,211	7,335,063
Federal Taxes Not Paid Due to Carry-Forward of Operating Losses	1,400,000	4,250,000	2,810,000	310,000	—
Federal Income Tax Refunds and Claim (c)	—	514,555	—	935,265	2,919,758
Net Income Per Published Annual Reports	3,713,156	10,241,644	7,750,524	10,426,476	10,254,821
Net Income Per Share of Common Stock Outstanding at Year End Per Published Annual Reports	1.60	4.35	3.27	4.39	4.31
Restated Net Income Per Share of Common Stock Outstanding at Year End Before Recoveries and Adjustments of Federal Taxes on Income	1.00	2.33	2.08	3.86	3.08
Cash Dividends on Common Stock (d)	—	1.00	1.40	1.75	1.80

NOTES:

- (a) A major portion of the sales for the five years ended November 30, 1953, was to the Department of Defense and hence subject to renegotiation. Renegotiation proceedings for the years 1949, 1950 and 1951 have been completed without refund. Preliminary proceedings for 1952 indicate that no refund will be required and it is believed that no refund will be required with respect to the year 1953.
- (b) In 1950 the Company adopted, with the approval of the Commissioner of Internal Revenue, the practice of recording sales and profits under cost-plus-fixed-fee contracts on the basis of expenditures made and work performed. In prior years, sales and profits under such contracts, although billed to the Government currently, were not taken into income until the time of delivery of the finished products. Had the present method been in effect during earlier years, net sales for the years 1949 and 1950 would have been decreased by approximately \$63,000,000 and \$71,000,000 respectively, and net income for such years would have been decreased by approximately \$1,240,000 and \$1,047,000, respectively.
- (c) As a result of a change in the Internal Revenue Code provided by Sec. 205 of the Technical Changes Act of

1953, the Company was able to carry forward unused operating losses incurred during the fiscal year 1948 and apply these losses against taxable income for the fiscal year 1951. A claim for refund of Federal income taxes in the amount of \$2,919,758 has been filed and this amount is included in income for the year 1953.

- (d) In addition to the cash dividends set forth above, the Company distributed to its share owners, in the year 1950 and 1953, respectively, 1/10th share of common stock of Airfleets, Inc., and San Diego Corporation. These distributions are reflected at \$.92 and \$1.35 per share representing the amounts, respectively, at which such shares of Airfleets, Inc., and San Diego Corporation were carried in the Company's accounts.

Dynamics

The following summary of consolidated earnings of Dynamics and its subsidiary, Canadair Limited, for the five years ended December 31, 1953, has been compiled from published annual reports. For further details with respect to the three years ended December 31, 1953, reference is made to the financial statements and the notes thereto included herein as Exhibit D.

Inasmuch as the major portion of the manufacturing operations of Dynamics and Canadair Limited, its subsidiary, is devoted to the production of submarines and military aircraft, their future operations are to a large extent dependent on the national defense programs of the United States and Canada. Such business during the last five years has approximated 83% of the total sales of the companies.

	1949	1950	1951	1952	1953
Net Sales	\$45,234,961	\$41,754,339	\$82,638,055	\$134,551,610	\$206,644,279
Gross Profit	1,996,180	2,410,549	7,695,621	10,401,931	12,798,292
Other Income or Deductions*					
(Net)	(1) 936,664*	96,392	26,582	165,245	104,489*
Taxes on Income	627,100	1,111,000	3,850,000	5,650,000	6,475,000
Net Income	432,416	1,395,941	3,872,203	4,917,176	6,218,803
Dividends on Preferred Stock . . .	338,962	337,412	336,617	336,430	319,403
Balance Applicable to					
Common Stock	93,454	1,058,529	3,535,586	4,580,746	5,899,400
Per Share (2) . . . . .	.13	1.52	4.53	5.72	7.01
Cash Dividends Declared on					
Common Stock (Per Share) . .	1.50	1.25	(3) 1.00	2.25	3.00

Notes:

- (1) Includes loss of \$709,786 on liquidation of former Elco Division.
- (2) Computed on basis of number of shares of Common Stock outstanding at the respective year ends.
- (3) In addition, a 5% Common Stock dividend was declared and distributed in 1951.

5. Tax-free Nature of the Merger:

Counsel advise in connection with the merger of Convair with and into Dynamics as follows:

1. The proposed merger, if consummated in the manner set forth in the Agreement of Merger and in compliance with the merger provisions of the laws of the State of Delaware, will constitute a non-taxable reorganization within the purview of Section 112(g) (1) of the Internal Revenue Code as now in effect.

2. The transfer by Convair of its assets and liabilities to the Surviving Corporation in connection with said merger will result in no recognition of gain or loss to Dynamics or Convair for purposes of Federal income and excess profits taxes under Sections 112(b) (4) and 112(k) of the Internal Revenue Code as now in effect.

3. Said merger will not result in any tax to the share owners of Dynamics and the exchange by the share owners of Convair of certificates for shares of its Common Stock for new certificates representing shares of Common Stock of the Surviving Corporation, as hereinbefore provided, will constitute non-taxable transactions governed by the provisions of Section 112(b) (3) of the Internal Revenue Code as now in effect.

4. In accordance with the provisions of Section 113(a) (7) of the Internal Revenue Code as now in effect, the basis to the Surviving Corporation of the assets acquired in connection with said merger of Convair with and into Dynamics will be the same as the basis of such assets to Convair.

5. Under the provisions of Section 113(a) (6) of the Internal Revenue Code as now in effect, the basis to the share owners of the surviving corporation of their respective shares of said corporation will remain the same as the basis to them of their respective shares of Dynamics and Convair.

Request for a ruling in confirmation of the foregoing opinion has been made to the Bureau of Internal Revenue but to date no ruling has been communicated to Dynamics or Convair.

6. Financial Statements:

(a) The following certified financial statements of Convair, together with auditors' certificate and notes, are annexed hereto as Exhibit C and hereby made a part hereof:

(i) Balance Sheet at November 30, 1953

(ii) Statement of Income for the three years ended November 30, 1953

(iii) Statement of Earned Surplus for the three years ended November 30, 1953.

(b) The following certified consolidated financial statements of Dynamics and subsidiary, together with auditors' certificate and notes, are annexed hereto as Exhibit D and hereby made a part hereof:

(i) Balance Sheet at December 31, 1953

(ii) Statement of Income for the three years ended December 31, 1953

(iii) Statements of Surplus for the three years ended December 31, 1953

(c) A pro forma Balance Sheet as of said dates, giving effect to the merger together with notes, is annexed hereto as Exhibit E and hereby made a part hereof.

7. Miscellaneous Considerations:

(a) The high and low sales prices on the New York Stock Exchange of the Preferred and Common Stock of Dynamics and of the Common Stock of Convair for each quarterly period during the past two years, and for the two month period ended February 28, 1954, were as follows:

Period Ended	Dynamics				Convair	
	Preferred Stock		Common Stock		Common Stock	
	High	Low	High	Low	High	Low
3/31/52	40	37½	30¼	24½	19½	16⅞
6/30/52	40	37½	32½	29½	19¼	16½
9/30/52	42¼	37¾	35⅞	29⅞	19⅞	16⅞
12/31/52	48½	39	45⅞	32	20⅞	17¼
3/31/53	48½	43½	46¼	40	22¾	18⅞
6/30/53	44¼	35½	42⅞	31⅞	21	16⅞
9/30/53	39	35½	35⅞	31	19	15½
12/31/53	39	36½	36¾	33	18⅞	16¼
2/28/54	44¾	39	42¼	36	21¾	17⅞

(b) The affirmative votes of share owners of Dynamics and of Convair representing two-thirds of the total number of shares of respective capital stock of each of such corporations are necessary for the approval of the Agreement of Merger. Meetings of the share owners of both Dynamics and Convair for the purpose of voting upon the approval thereof have been called for April 29, 1954.

(c) Section 262 of Title 8 of the Delaware Code of 1953 affords certain rights to share owners of Dynamics and of Convair. In order to be entitled to appraisal and payment in cash for his stock, a share owner must have objected in writing to the merger before the taking of the vote thereon and, of course,

must not have voted in favor thereof. The procedural steps involved are set forth in said Section 262, a copy of which is annexed hereto as Exhibit G and hereby made a part hereof.

It should be noted that the Board of Directors of each of the constituent corporations has reserved the right not to vote the proxies received for the merger in the event that requests for appraisal are received in such an amount that the merger is deemed inadvisable.

(d) Application will be made to list the Common Stock of the Surviving Corporation on the San Francisco Stock Exchange and to list additional shares of Common Stock of the Surviving Corporation on the New York, Montreal and Toronto Stock Exchanges, where the Common Stock of Dynamics is now listed.

(e) No change in the management or in the present officers of Dynamics and Convair is contemplated, except the election of Joseph T. McNarney, President of Convair, as a Senior Vice-President of Dynamics. Convair will maintain its identity in all respects, except that it will be a part of the Dynamics group and will be operated as a division thereof. The valuable name of Convair will, of course, be retained; the business now carried on by it will continue to be carried on under the name Convair and all of its present officers will be officers of Convair with like title.

(f) The By-Laws of Dynamics will continue as the By-Laws of the Surviving Corporation, with such changes as may be made therein from time to time by the Board of Directors or by the share owners.

Reference is made to Exhibit A annexed hereto and hereby made a part hereof for the exact terms of the Agreement of Merger.

INFORMATION WITH RESPECT TO DIRECTORS NAMED IN THE AGREEMENT OF MERGER

The twenty-seven Directors named in the Agreement of Merger are the same persons now acting as Directors of Dynamics or of Convair, or of both. Upon the merger becoming effective, said Directors will hold office for one year and until their successors are elected and qualify.

Under the By-Laws of the Surviving Corporation, the next Annual Meeting of Share Owners for the election of Directors is scheduled for the last Thursday in April, 1955.

OCCUPATIONS AND STOCK OWNERSHIP OF DIRECTORS NAMED IN AGREEMENT OF MERGER

Names and principal occupations	Year first elected a Director of		Shares of Stock of Dynamics beneficially owned as of February 1, 1954 as reported to Dynamics		Restricted Stock Options to purchase shares of Common Stock of Dynamics held as of February 1, 1954	Shares of Common Stock of Convair beneficially owned as of January 15, 1954
	Dynamics	Convair	Preferred	Common		
ELLSWORTH C. ALVORD..... Partner, Alvord & Alvord, Washington, D.C.		1953	(a)	420	None	200
GEORGE W. CODRINGTON (d)..... Director, Addressograph-Multigraph Corporation, National Acme Corporation and Allied Products Corporation	1937	1953	None	1,400	None	300
LA MOTTE T. COHU..... Director, Convair		1948	None	500	None	200
LAMBERT J. GROSS..... Vice President and Comptroller, Dynamics; Assistant to the Chairman of the Board, Canadair		1953	200	None	3,000	100

Names and principal occupations	Year first elected a Director of		Shares of stock of Dynamics beneficially owned as of February 1, 1954 as reported to Dynamics		Restricted Stock Options to purchase shares of Common Stock of Dynamics held as of February 1, 1954	Shares of Common Stock of Convair beneficially owned as of January 15, 1954 as reported to Dynamics
	Dynamics	Convair	Preferred	Common		
ROGER I. HARRIS..... Vice President and Counsel, Dynamics; Assistant to the Chairman of the Board, Canadair		1953	None	30	2,000	100
JOHN D. HERTZ (b)..... Partner, Lehman Brothers, investment bankers		1937	None	(b)	None	(b)
JOSEPH H. HIMES..... President, Coastal Caribbean Oils, Inc.	1937		1,000	1,575	None	None
JOHN JAY HOPKINS (d)..... Chairman of the Board of Directors and President, Dynamics; Chairman of the Board of Directors and Managing Director, Canadair; Chairman of the Board of Directors, Convair	1937	1953	50	1,052	30,000	200
S. R. INCH..... Director, Convair		1947	None	None	None	200
I. M. LADDON..... Director, Rohr Aircraft Corp. and Menasco Manufacturing Company		1931	None	100	None	120 (c)
EMORY S. LAND..... Director, Newport News Shipbuilding & Drydock Co. and Federal Insurance Company; Consultant to Dynamics	1949		None	211	None	None
HENRY M. MARX..... Partner, Kramer, Marx, Greenlee & Backus, New York, N.Y.		1953	None	1	None	200
OTTO MARX (d)..... Chairman of the Executive Committee of the Board of Directors, Dynamics; President, Birmingham Corporation, New York, N.Y., a company engaged in investing in securities	1925		None	(c) 1	None	None
DONALD N. McDONNELL..... Vice President, Blyth & Co., Inc., investment bankers		1941	None	None	None	100
T. RODGIE MCLAGAN..... President, General Manager and Director, Canada Steamship Lines Limited, Montreal, Quebec, Canada	1950		None	155	None	None
JOSEPH T. McNARNEY (d)..... President, Convair		1952	None	None	None	300
CLIFTON M. MILLER (d)..... Vice Chairman of the Executive Committee of the Board of Directors, Dynamics; Cattle Breeder and Farmer, Chestertown, Maryland	1948	1953	None	1,050	5,000	500

Names and principal occupations	Year first elected a Director of		Shares of stock of Dynamics beneficially owned as of February 1, 1954 as reported to Dynamics		Restricted Stock Options to purchase shares of Common Stock of Dynamics held as of February 1, 1954	Shares of Common Stock of Convair beneficially owned as of January 15, 1954 as reported to Dynamics
	Dynamics	Convair	Preferred	Common		
J. V. NAISH (d) Executive Vice President, Convair		1953	None	None	None	1,800
J. GEOFFREY NOTMAN Senior Vice President, Dynamics; President, Canadair	1951	1953	None	1,000	3,605	200
FRANK PACE, JR. (d) Executive Vice President, Dynamics; Vice Chairman of the Board of Directors, Can- adair; Vice Chairman of the Board of Directors, Convair	1953	1953	None	None	4,500	200
MOREHEAD PATTERSON Chairman of the Board of Directors and President, American Machine & Foundry Company, New York, N.Y.	1948		None	105	None	None
R. C. PATTERSON, JR. Chairman, Finance Committee, John C. Paige & Co., Inc., New York, N.Y.		1947	None	None	None	100
LAWRENCE B. RICHARDSON Senior Vice President, Dynamics; Vice Chair- man of the Board of Directors, Canadair; Vice Chairman of the Board of Directors, Convair	1951	1953	None	801	1,700	300
O. POMEROY ROBINSON, JR. Senior Vice President, Dynamics	1942	1953	60	3,647	500	200
REEVE SCHLEY Chairman of the Board of Directors, Somer- ville Trust Company, Somerville, N.J.	1937		None	2,522	None	None
THOMAS A. SCOTT Honorary Chairman of the Board of Direc- tors, Merritt-Chapman & Scott Corpora- tion, New York, N.Y.	1937		25	157	None	None
ROBERT F. WINDFOHR Partner, Nash, Windfohr & Brown, Ft. Worth, Texas		1953	None	None	None	1,000

- (a) Mr. Alvord owns 95% of the stock of a corporation which owns 525 shares of Common and 4,125 shares of Preferred Stock of General Dynamics Corporation.
- (b) Mr. Hertz is a partner of Lehman Brothers, which firm owns 100 shares of Convair and 3,000 shares of General Dynamics Corporation Common Stock. Mr. Hertz also is a beneficiary of a trust which owns 1800 shares of General Dynamics Corporation Common Stock and a joint beneficiary of a trust which owns 1200 shares of General Dynamics Corporation Common Stock. Mr. Hertz will serve as a Director of the Surviving Corporation subject to the approval of the Civil Aeronautics Board.
- (c) A family corporation in which Mr. Otto Marx is a substantial stockholder owns 1,050 shares of Common Stock of General Dynamics Corporation.
Mr. Laddon and an associate are joint beneficiaries of a trust which owns 400 shares of Convair stock.
- (d) These Directors are also designated in the Agreement of Merger as members of the Executive Committee of the Surviving Corporation.

The principal occupation or employment for the last five years of Frank Pace, Jr., who was elected a Director of Convair after the 1953 meeting of share owners, and of those Directors named in the Agreement of Merger who are not now Directors of Convair are as follows:

Joseph H. Himes has been President of Coastal Caribbean Oils, Inc., since 1952. Prior thereto from 1949 until 1950 he was President of Joseph H. Himes Co., Inc., Washington, D. C.

Emory S. Land has been a Director of Newport News Shipbuilding & Dry Dock Co. and the Federal Insurance Company since 1953. Prior thereto since 1949 he was President of the Air Transport Association of America.

Otto Marx for the past five years has been President of the Birmingham Corporation of New York, New York, a company engaged in investing in securities.

T. Rodgie McLagan has been President of Canada Steamship Lines Limited, Montreal, Quebec, Canada, since 1951. Prior thereto and since 1949 he was President of Canadian Vickers Limited of Montreal, Canada.

J. Geoffrey Notman is President of Canadair Limited, Montreal, Canada and prior thereto and since 1950 was Executive Vice President of said company. Before that and since 1949 he was Vice President of Dominion Engineering Works Limited (Canada).

Moorehead Patterson has during the past five years been Chairman of the Board and President of American Machine and Foundry Company, New York, New York.

Reeve Schley has for the past five years been Chairman of the Board of the Somerville Trust Company, Somerville, New Jersey.

Thomas A. Scott since 1953 has been Honorary Chairman of the Board of Merritt-Chapman & Scott Corporation, New York, New York and from 1949 to 1952 was Chairman of the Board of said corporation.

R. F. Windfohr was elected a director of Convair in 1953. During the past five years he has been a partner in the oil producing firm of Nash, Windfohr & Brown in Fort Worth, Texas. He is a director of First National Bank of Fort Worth and of Texas Pacific Coal and Oil Company.

REMUNERATION OF DIRECTORS AND OFFICERS FOR THE FISCAL YEAR 1953

- The following information is furnished as to all direct remuneration paid by Convair during the last fiscal year to each director and each of the 3 highest paid officers whose aggregate remuneration exceeded \$30,000, and all directors and officers of Convair as a group. Also shown is the total annual benefits proposed to be paid to each such person named and to such group under Convair's Group Retirement Plan in the event of continued employment at the salaries shown and retirement at normal retirement date.

Name or Identity of Group	Capacities in which remuneration was received	Aggregate remuneration	Estimated net remuneration after current Federal Income Taxes (See Note "a")	Estimated Annual Benefit Under Group Retirement Plan (b)
Joseph T. McNarney	President and Director	\$ 76,860.00	\$38,395.20	\$ (c)
J. V. Naish	Executive Vice President and Director	46,356.72	28,291.56	18,000.00
Robert B. Watts	Vice President and General Counsel	38,180.06	24,991.22	13,227.12
LaMotte T. Cohu	Vice Chairman of the Board, Consultant and Director	31,500.00	21,935.00	5,583.96
W. C. Rockefeller	Executive Assistant to the Chairman of the Board and Director	31,305.05	21,838.63	None
Floyd B. Odium	Chairman of the Board and Director	30,916.67	21,636.67	None
Directors and Officers as a Group		550,811.26		116,842.08

NOTES:

- Assuming no other income during 1953, each individual being married, having two dependents other than wife, and filing a joint return, and 1953 tax rates.

- (b) The figures shown are estimates based on continued employment at present salaries to normal retirement date. A portion of the benefits is attributable to the employees' own contributions.
- (c) Does not participate, but has a contingent deferred remuneration agreement under which he may qualify on April 1, 1957, for additional compensation, totaling \$50,040, payable over a ten year period or upon death, provided he complies with the conditions of his current contract of employment and such subsequent contracts of employment as may be entered into with him for the period to end March 31, 1967.

2. The following information is furnished as to General Dynamics Corporation for the fiscal year 1953.

Name of individual or identity of group	Capacities in which remuneration was received	Aggregate remuneration	Estimated net remuneration after current Federal (or Canadian) Income Taxes (c)	Estimated annual retirement benefits in the event of retirement at normal retirement date computed as of 12/31/53
John Jay Hopkins.....	Chairman of the Board of Directors, President, Director and member of the Executive Committee of Dynamics; Chairman of the Board of Directors, Managing Director, Director and member of the Executive Committee of Canadair	\$123,784.67 (a)	\$50,245	\$16,711
J. Geoffrey Notman.....	Director and Senior Vice President of Dynamics; Director, President and member of the Executive Committee of Canadair	\$ 88,400.00 (a) (b)	\$39,585	\$13,125
Lawrence B. Richardson.....	Director and Senior Vice President of Dynamics; Vice Chairman of the Board of Directors, Director and member of the Executive Committee of Canadair	\$ 48,520.50 (a)	\$29,069	Not eligible
O. Pomeroy Robinson, Jr.....	Director, member of the Executive Committee and Senior Vice President of Dynamics	\$ 43,200.00 (a)	\$27,086	\$23,195
Frank Pace, Jr.....	Director and Executive Vice President of Dynamics; Vice Chairman of the Board of Directors and Director of Canadair	\$ 36,648.35 (a)	\$24,317	Not eligible
All directors and officers of Dynamics as a group (including those shown above) }		\$528,202.45	Not applicable	Not applicable

- (a) In addition, remuneration was paid to the above-named individuals by Convair in their capacities as directors of such corporation as follows: Mr. Hopkins, \$7,474.73; Mr. Notman, \$3,224.73; Mr. Richardson, \$4,974.73; Mr. Robinson, \$5,224.73; Mr. Pace, \$5,724.73. Remuneration was paid to all directors and officers of Dynamics as a group (including the foregoing) by Convair for their services as directors of said corporation in the total amount of \$45,372.57.
- (b) All of Mr. Notman's remuneration was paid by Dynamics' subsidiary Canadair, with the exception of \$1,200 paid by Dynamics for his services as a director of Dynamics and the amount set forth in (a) above. Since Mr. Notman is a member of the Retirement Plan of Canadair and not of Dynamics, the estimated annual retirement benefits shown are in accordance with the Retirement Plan of Canadair.
- (c) Assuming no other income during 1953, each individual being married, having two dependent children and filing a joint return, and 1953 tax rates.

INTEREST OF DIRECTORS, NOMINEES AND OFFICERS IN TRANSACTIONS

1. Oswald J. Johnston and George H. Howard, formerly directors of Convair, are partners in the law firm of Simpson Thacher & Bartlett. During the fiscal year 1953, fees of \$35,350.40 were accrued by Convair for services rendered by this firm. Not all these fees accrued to Mr. Johnston and Mr. Howard personally.

Floyd B. Odlum and W. C. Rockefeller, formerly directors of Convair, and Oswald L. Johnston, are directors and officers of San Diego Corporation which was organized by Convair for the purpose of the special dividend mentioned below, and to which, as a wholly-owned subsidiary, Convair transferred in December, 1952, \$1,360,000 in cash, oil properties having a book value of \$180,000 and a note in the face amount of \$1,700,000

in return for all of the 240,000 issued and outstanding shares of capital stock of San Diego Corporation. On February 2, 1953, a dividend consisting of shares of capital stock of San Diego Corporation was distributed to Convair stockholders. This distribution reduced to approximately 2% the stock interest of San Diego Corporation owned by Convair and San Diego Corporation ceased to be a subsidiary of Convair.

Floyd B. Odum, Oswald L. Johnston and W. C. Rockefeller are directors and officers of Airfleets, Inc. Throughout the fiscal year 1953, and at this date, Airfleets was, and is, indebted to Convair on notes aggregating \$2,037,240.04, such notes having been issued by Airfleets to Convair at the time Airfleets was formed for the purpose of acquiring certain Convair assets. These notes provide for interest at the rate of 4 per cent per annum payable quarterly. Interest has been paid to January 1, 1954. Three airplanes owned by Airfleets were leased to Convair for all or a portion of the fiscal year 1953. One of such airplanes was subleased on a part-time basis during such year to another corporation in which Mr. Odum and an associate are substantial stockholders. During the fiscal year 1953 in the ordinary course of business Convair entered into a contract with Airfleets, Inc., extending to Airfleets (which had purchased from Northeast Airlines, Inc., five Convair Liners previously sold to Northeast by Convair) or any purchaser from Airfleets, rights in respect to purchase of spare parts, warranties, patent indemnification and pilot training courses related to said five aircraft.

W. C. Rockefeller is a director and an officer of Nutt-Shel Company, which manufactures nuts of a type used generally in the aircraft industry. During the fiscal year 1953, in the ordinary course of business, Convair made purchases from Nutt-Shel aggregating approximately \$155,500.

At the beginning of the last fiscal year, R. C. Sebold (Vice President), was indebted to Convair in the amount of \$20,204.10, representing non-interest-bearing installments maturing at subsequent dates on the purchase of Common Stock of Convair under the Executive Officers' and Key Employees' Stock Purchase Plan. This indebtedness was paid in full prior to January 1, 1953.

2. General Dynamics Corporation transactions with Directors, officers and associates:

A non-transferable Restricted Stock Option to purchase shares of Common Stock of Dynamics in accordance with the Restricted Stock Option Plan of Dynamics was granted on May 13, 1953 in respect of 4500 shares to Frank Pace, Jr. The option price per share, \$34.14, was 95% of the market value thereof on the granting date and said option expires seven years from such granting date unless sooner terminated according to its terms. The market value per share of said shares on said granting date was \$35.94.

Restricted Stock Options were exercised since January 1, 1953 by certain persons named under 1 hereof as follows:

<u>Name of Individual</u>	<u>No. of shares purchased</u>	<u>Purchase Price</u>	<u>Market value per share on date of purchase</u>
J. Geoffrey Notman	395	\$ 7,350.95	42 $\frac{3}{16}$
	1,000	18,610.00	38 $\frac{1}{2}$
Lawrence B. Richardson	200	4,964.00	43 $\frac{1}{4}$
	100	2,482.00	34
All directors and officers of Dynamics as a group (including those shown above) . .	4,070	81,494.45	46 $\frac{1}{4}$ —31

Henry M. Marx, one of the Directors named in the Agreement of Merger, is a partner in the law firm of Kramer, Marx, Greenlee & Backus, general counsel for Dynamics. During the year 1953, fees of \$94,500 were accrued by Dynamics for services rendered by said firm, of which only a portion accrued to Mr. Marx personally.

3,000 shares of Common Stock of Dynamics were issued in May, 1953, to Lehman Brothers (of which John D. Hertz, one of the Directors named in the Agreement of Merger, is a partner) for the services of said firm in connection with the acquisition by Dynamics of the 400,000 shares of the Common Stock of Convair referred to in the accompanying letter to the share owners.

SUMMARY OF MATERIAL FEATURES OF INCENTIVE COMPENSATION PLAN

On November 20, 1953, the Board of Directors of Convair adopted an Incentive Compensation Plan to be effective for the year ended November 30, 1953 and following years, subject to the approval of the share owners of Convair at their next meeting.

It is the conviction of the Board of Directors that the Incentive Compensation Plan, as has proved to be the case in respect of many other corporations, will prove of inestimable value to Convair. Approval by share owners at the special (in lieu of annual) meeting is requested and recommended by the Board.

The purpose of the Plan is to provide a means to furnish those employees who contribute conspicuously by their ability, ingenuity and industry to the management and to the profitable operations of Convair, with an additional incentive to protect and advance the interests of Convair. To that end the Plan will afford an opportunity for employees to participate in the results of their contributions to the success of Convair.

The plan provides for the distribution in each year of a maximum of 5% of the profits before taxes after deducting therefrom an amount which after taxes is equal to a 6% return on the capital employed as defined in the Plan. It is to be emphasized that the profit sharing does not take place until after 6% has been earned upon capital, after taxes, as defined in the Plan.

Employees eligible to participate in the Plan are those employees of Convair and its subsidiaries if any, mainly responsible in an executive, administrative, professional, technical or advisory capacity for the management of operations, including the heads of various departments, divisions and other operating units and their principal assistants and advisors in directing operations. Directors as such shall not be entitled to participate but if a director is also an active employee or officer, participation is permissible.

Participants, as well as the amount of participation, are to be determined in the sole discretion of a committee composed of members of the Board of Directors who are not active employees or officers of Convair and therefore are not participants in the Plan. It is not feasible to state the general standards which will be observed in determining the proportions which will be distributed to the groups mentioned. However, it can be stated that the committee will use its best judgment in this connection based upon achievements and results of the individuals, as well as the amount of the Incentive Compensation Account at the time.

The maximum possible number of participants, based on today's employment and assuming that the committee determines that all qualified personnel participate, would be in the neighborhood of 300 individuals which would include all of the thirteen officers of Convair.

The amount of incentive compensation in each year will be credited to an Incentive Compensation Account on the books of Convair. It is not necessary under the Plan to distribute the entire amount of the Incentive Compensation Account immediately but the same may be deferred by the committee until future years. Distributions may be made in a lump sum or may be made in up to five annual installments as determined by the committee.

Had the Plan been in effect during the fiscal year ended November 30, 1952, an aggregate amount of \$586,248 would have been distributable thereunder for that fiscal year. In the event the Plan is approved by share owners of Convair, the aggregate amount of \$501,000 will be distributable thereunder for the fiscal year ended November 30, 1953, but inasmuch as the participations under the Plan for that fiscal year will be determined solely in the discretion of the committee as aforesaid, it is not feasible to state separately at this time the amounts which will be distributed with respect to that fiscal year to directors, officers and employees, nor to identify each class of persons who will participate thereunder, nor to indicate the approximate number of persons in each such class, nor to state the basis of such participation. For like reasons it is not feasible to state the specific participations which will be granted to named officers and directors. It can be stated, however, that it is the intention that such participations will be awarded broadly throughout the organization.

The Board of Directors may amend, modify, change, suspend or terminate the Plan in whole or in part, or, if terminated, reinstate the same, except that no such action shall affect any right of participation already awarded without the prior approval of share owners. No such action by the Board of Directors may withdraw the obligation and right of interpreting and administering the Plan from a committee of the Board of Directors, no member of which committee (exclusive of an ex officio member) is eligible to participate thereunder, and no such action may increase the amount of incentive compensation.

According to the advice of counsel, Convair will be entitled to deduct for income tax purposes for any year, incentive compensation only to the extent for any year that such compensation is actually awarded to a participant during such year. The participant will be subject to tax upon the incentive compensation paid him.

Reference is made to Exhibit F annexed hereto and hereby made a part hereof for the exact terms and provisions of the Incentive Compensation Plan.

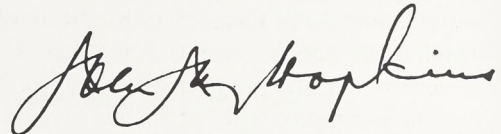
ANNUAL REPORT

On or about March 4, 1954, a copy of the Annual Report to Share Owners, including financial statements for the fiscal year ended November 30, 1953, was mailed to each share owner as of February 10, 1954. A copy has since been mailed to each person becoming a share owner from that date up to and including March 26, 1954, which is the record date for the determination of share owners entitled to vote at the special (in lieu of annual) meeting. The Annual Report is not to be deemed a part of the soliciting material.

In addition to the solicitation of proxies by the use of mails, Convair will retain Georgeson & Co., New York, N. Y., for the services of approximately 40 persons, to aid in the solicitation of proxies. For these services Convair will pay a fee plus out-of-pocket expenses and disbursements estimated in the aggregate at approximately \$12,500. These individuals will solicit proxies by personal interview, mail, telephone and telegraph.

By Order of the Board of Directors

CONSOLIDATED VULTEE AIRCRAFT CORPORATION



Chairman of the Board

Dated at San Diego, California
March 26, 1954

EXHIBIT A

AGREEMENT OF MERGER dated as of the 29th day of April, 1954 (hereinafter sometimes referred to as the "Agreement") by and between GENERAL DYNAMICS CORPORATION, a corporation organized and existing under the laws of the State of Delaware (hereinafter sometimes referred to as "Dynamics" or the "Surviving Corporation") and CONSOLIDATED VULTEE AIRCRAFT CORPORATION, a corporation organized and existing under the laws of the State of Delaware (hereinafter sometimes referred to as "Convair"), (Dynamics and Convair being hereinafter sometimes referred to as the "Constituent Corporations").

WHEREAS, (1) Dynamics was incorporated pursuant to the General Corporation Law of the State of Delaware on February 21, 1952 and merged Electric Boat Company (a New Jersey corporation) with and into itself on April 25, 1952, in accordance with an Agreement of Merger dated as of the 24th day of April, 1952 by and between Electric Boat Company and Dynamics, said Agreement of Merger being duly filed in the office of the Secretary of State of the State of Delaware and in the Office of the Secretary of State of the State of New Jersey and duly recorded in the Office of the Recorder of Kent County, Delaware; and

WHEREAS, (2) Dynamics has an authorized capital stock consisting of 2,668,305 shares, divided into 168,305 shares of Preferred Stock without par value and 2,500,000 shares of Common Stock of the par value of \$3 each, of which there were outstanding and not owned by Dynamics, on February 1, 1954, 157,383 shares of such Preferred Stock and 842,533 shares of such Common Stock; and

WHEREAS, (3) Dynamics is authorized to grant Restricted Stock Options to its officers and employees in accordance with the Restricted Stock Option Plan dated March 26, 1951, approved by the stockholders of Electric Boat Company, the predecessor of Dynamics, on April 26, 1951 and made a part of said Agreement of Merger dated as of the 24th day of April, 1952; and

WHEREAS, (4) there were outstanding on February 1, 1954 Restricted Stock Options granted under said Plan for the purchase of 53,018 shares of Common Stock of Dynamics; and

WHEREAS, (5) Convair was incorporated pursuant to the General Corporation Law of the State of Delaware on May 29, 1923 and merged Vultee Aircraft, Inc. (a Delaware corporation) with and into itself on March 18, 1943, in accordance with an Agreement of Merger dated as of the 25th day of January, 1943 by and between Consolidated Aircraft Corporation and Vultee Aircraft, Inc., said Agreement of Merger being duly filed in the Office of the Secretary of State of the State of Delaware and duly recorded in the Office of the Recorder of Kent County, Delaware and in the Office of the Recorder of New Castle County, Delaware; and

WHEREAS, (6) Convair has an authorized capital stock consisting of 2,400,000 shares of Common Stock of the par value of \$1 per share, of which there were outstanding and not owned by Convair, on February 1, 1954, 2,379,298 shares of such Common Stock and 300 partly-paid shares of such Common Stock issued under its "Plan for the issuance of Common Stock of the par value of \$1 per share of Consolidated Vultee Aircraft Corporation to and the purchase of such stock by certain of its executive officers and key employees"; and

WHEREAS, (7) Dynamics holds and owns 400,000 shares of Common Stock of Convair; and

WHEREAS, (8) the principal office of Dynamics in Delaware is No. 129 South State Street, Dover, County of Kent, Delaware; and

WHEREAS, (9) the principal office of Convair in Delaware is 927 Market Street, Wilmington, County of New Castle, Delaware; and

WHEREAS, (10) the respective Board of Directors of the Constituent Corporations have unanimously approved, adopted and declared this Agreement advisable and in the best interests of the Constituent Corporations and their respective stockholders by resolutions of the Board of Directors of Dynamics passed at a meeting thereof held March 1, 1954, and by resolutions of the Board of Directors of Convair passed at a meeting thereof held March 1, 1954; and

WHEREAS, (11) the parties hereto deem it desirable and desire that the Constituent Corporations shall merge into a single corporation, Dynamics, which shall be the Surviving Corporation;

NOW, THEREFORE, in consideration of the premises and of the mutual provisions, agreements, covenants, conditions and grants herein contained, the parties hereto, in accordance with the applicable provisions of the laws of the State of Delaware, do hereby agree as follows:

FIRST: *Merger.* Convair shall be and hereby is merged pursuant to Section 251 of the General Corporation Law of the State of Delaware with and into Dynamics, and Dynamics does hereby merge Convair with and into itself. Dynamics shall be the Surviving Corporation and it shall continue and be deemed to continue for all purposes whatsoever after the merger of Convair with and into itself.

SECOND: *Jurisdiction and Name.* The Surviving Corporation shall be governed by the laws of the State of Delaware and its name shall continue to be:

GENERAL DYNAMICS CORPORATION

THIRD: *Delaware Office and Resident Agent.* The principal office or place of business of the Surviving Corporation in the State of Delaware is located at No. 129 South State Street in the City of Dover, County of Kent. The name and address of the resident agent of the Surviving Corporation in the State of Delaware is United States Corporation Company, No. 129 South State Street, Dover, Delaware.

FOURTH: *Nature of the Business or Objects or Purposes.* The nature of the business, or objects or purposes to be transacted, promoted or carried on are as follows:

(a) To engage in the business of manufacture and operation of ships and aircraft and to build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, purchase, charter, hire or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondition, assign, mortgage, pledge or otherwise generally dispose of, trade and deal in boats, ships, vessels, submarines and other means of navigation of whatsoever kind and description, and airplanes, airships, helicopters, guided missiles, dirigibles, balloons, blimps and other aircraft of whatsoever kind and description, whether for use upon or under the surface of the sea, in the air or otherwise, including, without limitation, the acquisition in any manner whatsoever of all plants, properties, real estate, personalty, materials, machinery, motive power, supplies and other articles necessary or convenient for use, directly or indirectly, in connection therewith or related thereto.

(b) To the extent permitted by law: to engage in the business of research and experimentation in the field of nuclear chain reaction and atomic energy for any and all civilian, military or other purposes whatsoever; to engage in any business relating, directly or indirectly, to the use of nuclear, fissionable, fusionable and radioactive material and atomic energy of any description, and to build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, purchase, charter, hire or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondition, assign, mortgage, pledge or otherwise generally dispose of, trade and deal in propulsion machinery, reactors, boilers, pressure vessels, engines, mechanisms, tools, implements, instruments, appliances and apparatus of whatsoever kind and description, making use of, related to or having any purpose in connection with nuclear, fissionable, fusionable and radioactive materials and atomic energy, including, without limitation, the acquisition in any manner whatsoever of all plants, properties, real estate, personalty, materials, machinery, motive power, supplies and other articles necessary or convenient for use, directly or indirectly, in connection therewith or related thereto.

(c) To engage in the business of manufacture and operation of all types of transportation for use in the air, on and under the sea, and on and under the land, and to establish and maintain and operate shipping lines, air lines and vehicular lines of every description for the transportation of passengers and goods, to build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, purchase, charter, hire or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondition, assign, mortgage, pledge or otherwise generally dispose of, trade and deal in ships and aircraft as hereinabove provided for, as well as automobiles, trucks, trailers, motorcycles, tractors and other vehicles of whatsoever kind and description, including without limitation, the acquisition in any manner whatsoever of all plants, properties, real estate,

personalty, materials, machinery, motive power, supplies and other articles necessary or convenient for use, directly or indirectly, in connection therewith or related thereto. Nothing herein shall be deemed to authorize the Surviving Corporation to construct, maintain or operate public utilities within the State of Delaware.

(d) To engage in the business of manufacture of machinery of every description, to build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, purchase, charter, hire or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondition, assign, mortgage, pledge or otherwise generally dispose of, trade and deal in propulsion machinery, motors, engines, mechanisms, tools, implements, instruments, appliances and apparatus of whatsoever kind and description, whether operated by gasoline, kerosene, alcohol, electricity, oil, steam, nuclear fission, fusion or any other means, whether now known or hereafter discovered, including, without limitation, the acquisition in any manner whatsoever of all plants, properties, real estate, personalty, materials, machinery, motive power, supplies and other articles necessary or convenient for use, directly or indirectly, in connection therewith or related thereto.

(e) To engage in the business of manufacture of synthetic and plastic substances and products, to build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, purchase, charter, hire or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondition, assign, mortgage, pledge or otherwise generally dispose of, trade and deal in synthetic rubber, plywood, vulcanized fiber, celluloid, natural or synthetic plastics, plastic substances and materials, and any and all natural or synthetic organic materials made from cellulose, proteins, hydrocarbons or resins, including any and all compounds, mixtures and derivatives of the foregoing or any of them, and any and all articles consisting or partly consisting of the foregoing, including, without limitation, the acquisition in any manner whatsoever of all plants, properties, real estate, personalty, materials, machinery, motive power, supplies, and other articles necessary or convenient for use, directly or indirectly, in connection therewith or related thereto.

(f) To engage in the business of manufacturing and merchandising, generally and without limitation, all types of products and articles, to build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, purchase, charter, hire or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondition, assign, mortgage, pledge or otherwise generally dispose of, trade and deal in, all types of manufactured products, articles, apparatus, machinery, machines, equipment, devices, accessories, systems, parts, supplies, tools, implements, apparatus, raw materials, natural products, manufactured products, of whatsoever kind and description, including, without limitation, the acquisition in any manner whatsoever of all plants, properties, real estate, personalty, materials, machinery, motive power, supplies and other articles necessary or convenient for use, directly or indirectly, in connection therewith or related thereto.

(g) To build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, charter, hire, or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondition, assign, mortgage, pledge or otherwise generally dispose of, trade and deal in, goods, chattels, wares, merchandise and personal property of every class and description.

(h) To purchase or otherwise acquire, and to hold, own, maintain, work, develop, sell, lease, exchange, hire, convey, mortgage or otherwise dispose of and deal in, lands and leaseholds, and any interest, estate and rights in real property, including oil and other mineral rights, and any personal or mixed property, and any franchises, rights, licenses or privileges of whatsoever kind and description.

(i) To engage in engineering, research, experimental, laboratory and development work in connection with any or all of its purposes, to act as engineering or research counsellors and consultants, and in connection therewith to render management, engineering, research, technical and advisory services to persons, firms, corporations and others.

(j) To purchase, lease or otherwise acquire the whole or any part of the business, good will, rights

and property of any kind, of any person, firm, association or corporation, domestic or foreign, and to undertake the whole or any part of the assets and liabilities of any person, firm, association or corporation and to pay for the same in cash, stocks, bonds, evidences of indebtedness or property of the Surviving Corporation or otherwise.

(k) To purchase, lease or otherwise acquire and to register, hold, develop, experiment with, own, maintain, sell, transfer, use, enjoy, operate, introduce, assign, pledge or otherwise generally dispose of, trade and deal in, all patent rights and letters patent of the United States, or of any other country, inventions, designs, formulae, concessions, trade-marks, trade names, brands, labels, copyrights, know-how, improvements and processes, whether or not used in connection with or secured under letters patent of the United States or of any other country, and to apply for, obtain and register, copyrights, trade-marks and patents in connection with the same, and to grant or accept licenses or territorial rights in respect thereof or otherwise turn the same to account.

(l) To purchase, or otherwise acquire, for investment or otherwise, to hold, sell, transfer, mortgage, pledge, exchange or otherwise deal in or dispose of bonds, mortgages, debentures, shares or obligations of any corporation, foreign or domestic, and to exercise in respect thereof all the rights, powers and privileges of individual owners thereof.

(m) To draw, make, accept, discount, endorse, execute and issue bonds, debentures, promissory notes and all other transferable or negotiable instruments.

(n) To endorse, guarantee and secure the payment and satisfaction of bonds, coupons, mortgages, deeds of trust, debentures, securities, obligations and evidences of indebtedness, and also to guarantee and secure the payment or satisfaction of interest on obligations and of dividends on shares of the capital stock of other corporations; also to assume and guarantee the whole or any part of the liabilities, existing or prospective, of any person, corporation, firm or association; and to aid in any manner any other person or corporation with which it has business dealings, or whose stocks, bonds, or other obligations are held or are in any manner guaranteed by the Surviving Corporation, and to do any other acts and things for the preservation, protection, improvement or enhancement of the value of such stocks, bonds, or other obligations.

(o) To purchase, hold, sell and reissue shares of its own stock.

(p) To issue or exchange stocks, bonds and other obligations in payment for property purchased or acquired by it, or for any other object in or about its business; to borrow money without limit; to mortgage or pledge its franchises, real or personal property, income and profits accruing to it, any stocks, bonds or other obligations, or any property which may be acquired by it, and to secure any bonds or other obligations by it issued or incurred.

(q) To act as selling agents for other manufacturers, and to manufacture for its own account, and to buy, sell, import, export, and generally deal in guns, bombs, munitions, and weapons of every name or description, and parts, accessories, and equipment used in connection therewith or thereunto appertaining.

(r) To finance for others the manufacture, purchase, ownership, sale, maintenance and operation of boats, ships, vessels, submarines, airplanes, airships, helicopters, guided missiles, dirigibles, balloons, blimps, automobiles, motor cars, taxi-cabs, motor trucks, and any and all other vessels, aircraft and vehicles of whatsoever kind and description; to buy, sell and generally deal in notes, chattel mortgages, conditional sales agreements, accounts and bills receivable and commercial paper and/or liens upon boats, ships, vessels, submarines, airplanes, airships, helicopters, guided missiles, dirigibles, balloons, blimps, automobiles, motor cars, taxi-cabs, motor trucks, and any and all other vessels, aircraft and vehicles of whatsoever kind and description, or parts and accessories thereto appertaining, or any other chattels of whatsoever kind and description, and to conduct generally the business of an investment broker or finance corporation, and to buy, sell and generally deal in stocks, bonds, notes or securities of every name and description, but not to exercise the functions of bank discount.

(s) To act as agents or subagents, brokers and factors for any person, firm, association, corporation or government; and to employ any subagent for any principal whether disclosed or undisclosed, or to act as principal and to employ any agent or subagent, all for the purpose of obtaining or acquiring by any

means any contract, charter, lease, agreement or property of any nature or for any other purpose whatsoever; to act as intermediary, broker or negotiator between principals and/or agents including, *inter alia*, lessors, lessees, charterers, buyers, sellers, mortgagors, mortgagees, pledgors and pledgees; and to make agreements, contracts or charters in its own name or in the name of any person, firm, association or corporation which it represents.

(t) To carry on any business whatsoever which the Surviving Corporation may deem proper or convenient in connection with any of the foregoing purposes or otherwise, or which may be calculated, directly or indirectly, to promote the interests of the Surviving Corporation or to enhance the value of its property, as contractor, subcontractor, principal, agent, commission merchant, attorney in fact, broker, factor, or in any other capacity or in any combination of capacities; to conduct its business in the State of Delaware, in other States, in the District of Columbia, in the Territories and Colonies of the United States of America, and in foreign countries; and to hold, purchase, lease or otherwise acquire, sell, mortgage and convey or otherwise dispose of, without limit, real and personal property, either in or out of the State of Delaware, and to have and to exercise all the powers conferred by the laws of the State of Delaware upon corporations organized under the act pursuant to and under which the Surviving Corporation is organized.

(u) To do all and everything necessary, suitable or proper for the accomplishment of any of the purposes or the attainment of any of the objects or the furtherance of any of the powers herein set forth, and to do every other act or acts, thing or things incidental or appurtenant to or growing out of or connected with the aforesaid business or powers or any part or parts thereof, provided the same be not inconsistent with the laws under which the Surviving Corporation is organized.

FIFTH: *Capital Stock.*

1. *Number and Classes of Shares Authorized.* The total number of shares of all classes of stock which the Surviving Corporation shall have authority to issue is 6,157,383 shares, divided into 157,383 shares of Preferred Stock without par value and 6,000,000 shares of Common Stock of the par value of \$3 each.

2. *Consideration for Issuance of Stock May Be Fixed by Directors.* Shares of stock of any class now or hereafter authorized may be issued by the Surviving Corporation from time to time for such consideration not less than par value thereof as shall be fixed from time to time by the Board of Directors of the Surviving Corporation. Any and all shares of stock so issued for which the consideration so fixed has been paid or delivered to the Surviving Corporation shall be declared and taken to be full paid stock and shall not be liable to any further call or assessments thereon, and the holders of such shares shall not be liable for any further payments in respect of such shares. In the absence of actual fraud in the transaction, the judgment of the Directors as to the value of any labor done, personal property, real estate or leases thereof, as payment in whole or in part for the purchase price of shares of stock of any class issued by the Surviving Corporation, shall be conclusive.

3. *Provisions With Respect to Preferred Stock and Common Stock.* The designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof of the various classes of stock of the Surviving Corporation shall be as follows:

(a) *Dividends.* The holders of the Preferred Stock shall be entitled to receive dividends, when and as declared from the surplus or net profits of the Surviving Corporation available for the payment thereof, at the rate of \$2 per share per annum, and no more, payable quarterly on dates to be fixed by the by-laws. The dividends on the Preferred Stock shall be cumulative, and shall be payable before any dividend on the Common Stock shall be paid or set apart; so that if in any year dividends amounting to \$2 per share shall not have been paid thereon, the deficiency shall be payable before any dividends shall be paid or set apart for the Common Stock.

Whenever all cumulative dividends on the Preferred Stock for all previous years shall have been declared and shall have become payable, and the accrued quarterly installments for the current year shall have been declared, and the Surviving Corporation shall have paid such cumulative dividends for previous years and such accrued quarterly installments or shall have set aside from its surplus or net profits a sum sufficient for the payment thereof, the Board of Directors may declare dividends on the Common Stock, payable then or thereafter, out of any remaining surplus or net profits.

(b) *Conversion.* Any holder of Preferred Stock may at any time and from time to time, except as hereinafter provided in respect of redemption, convert all or any of the shares of Preferred Stock held by him into Common Stock on the basis of one and one twentieth ($1\frac{1}{20}$) shares of Common Stock for one (1) share of Preferred Stock, without any adjustment in respect of dividends, by surrender to the Surviving Corporation of the certificate or certificates representing the Preferred Stock so to be converted, which shall bear the necessary transfer stamps and which, if the Surviving Corporation shall so require, shall be properly endorsed or assigned for transfer; and upon such surrender, such holder shall be entitled to receive therefor one (1) or more certificates for the shares of Common Stock into which such Preferred Stock is convertible. In the event of an increase at any time in the number of shares of Common Stock outstanding as a result of any split-up by reclassification or otherwise of shares of Common Stock, or as a result of any stock dividend payable in Common Stock, the number of shares of Common Stock into which each share of Preferred Stock shall thereafter be convertible, as aforesaid, shall be increased in the same proportion as the outstanding number of shares of Common Stock is increased by said split-up or stock dividend, or in the event that the number of shares of Common Stock at any time outstanding shall be decreased as a result of any combination by reclassification or otherwise of shares of Common Stock then outstanding, the number of shares of Common Stock into which each share of Preferred Stock shall thereafter be convertible, as aforesaid, shall be decreased in the same proportion as the outstanding number of shares of Common Stock is decreased by said combination.

No fractional shares of Common Stock shall be issuable upon conversion of shares of Preferred Stock. In lieu of any such fractional shares, the holders of the Preferred Stock upon conversion thereof shall be entitled as determined from time to time by the Board of Directors of the Surviving Corporation to either (i) scrip certificates for fractional shares with such terms and conditions as the Board of Directors may prescribe or (ii) the cash equivalent of such fractional shares of Common Stock based upon the market value thereof at the date of any such conversion.

(c) *Liquidation and Dissolution.* In the event of the liquidation, dissolution or winding up, whether voluntary or otherwise, of the Surviving Corporation, the holders of the Preferred Stock shall be entitled to be paid in full out of the assets, whether capital or surplus, \$50 per share and the unpaid dividends accrued thereon before any amount shall be paid to the holders of the Common Stock. If the assets distributable on such liquidation, dissolution or winding up, shall be insufficient to permit payment to the holders of the Preferred Stock of the full amount of \$50 per share and unpaid dividends accrued thereon, the assets shall be distributed pro rata among the holders of the Preferred Stock. After the payment to the holders of the Preferred Stock of \$50 per share, and the unpaid accrued dividends thereon, the remaining assets shall be divided and paid to the holders of the Common Stock according to their respective shares. The sale of all the property of the Surviving Corporation to, or the merger or consolidation of the Surviving Corporation into or with, any other corporation shall not be deemed to be a distribution of assets, or a liquidation, dissolution or winding up within the purposes of this paragraph.

(d) *Purchase or Redemption of Shares of Preferred Stock.* The Surviving Corporation may at any time purchase in the market or at private sale its Preferred Stock or any number of shares thereof, issued and outstanding, at a cost to it of not exceeding the sum of \$51.25 per share, in each case plus unpaid dividends accrued thereon to the date of purchase. Also, the Surviving Corporation may elect at any time to redeem, call in and retire the whole of its Preferred Stock or any part thereof in amounts of not less than one thousand (1,000) shares at a time, by paying to the respective holders thereof the sum of \$51.25 per share thereof, in each case plus unpaid dividends accrued thereon to the date of redemption. If less than all the outstanding Preferred Stock is to be redeemed at any time, such redemption shall be made by lot in such manner as may be prescribed by the Board of Directors. Notice of the intention of the Surviving Corporation to redeem any or all of its Preferred Stock shall be mailed not less than forty-five (45) days prior to the date of redemption to each holder of record of stock so to be redeemed at his address as it appears upon the books of the Surviving Corporation. The holders of any shares of the Preferred Stock so called for redemption shall, on the redemption date specified in such notice, cease to be stockholders of the Surviving Corporation with respect to such shares and all rights with respect to said shares so called for redemption shall, on such redemption date, cease and terminate, except only the rights of the holders thereof to receive the redemption price therefor without interest. In case any of the

Preferred Stock shall be called for redemption, the right of conversion with respect to such shares called for redemption shall expire at the close of business on the eleventh day next preceding the redemption date.

(e) *Voting.* Each holder of record of the Preferred Stock and each holder of record of the Common Stock shall be entitled to one (1) vote, in person or by proxy, for each share of each class of stock standing in his name on the books of the Surviving Corporation; provided, however, that if, at any time, the Surviving Corporation shall be in default in the payment of quarterly dividends on its Preferred Stock for six quarterly dividend periods, the holders of the Preferred Stock voting separately as a class shall be solely entitled to elect two directors of the Surviving Corporation and the holders of the Common Stock as a class shall be solely entitled to elect the remaining directors, until such time as there are no unpaid dividends accrued on the Preferred Stock to the beginning of the then current dividend period. At any annual meeting of stockholders held during the time that the Surviving Corporation is in such default, the term of office of all directors shall expire upon the election of their successors at such meeting. The by-laws shall contain appropriate provisions as to the number of shares of Preferred Stock, not to exceed a majority of the number of shares of Preferred Stock then outstanding, and of Common Stock required as a quorum at any such class election of directors, provided, however, that if there is a quorum of Preferred Stock, the Preferred Stock shall be entitled to elect two directors, as aforesaid, notwithstanding the absence of a quorum of the Common Stock, and in that event the Preferred Stock shall be entitled to designate those of the directors then holding office whose terms shall expire in order to create vacancies for succession of the new directors elected at such meeting by the Preferred Stock.

(f) *Alteration of Provisions With Respect to Preferred Stock.* Any amendment to the Certificate of Incorporation materially and adversely altering any existing provision with respect to the Preferred Stock shall require the assent of at least two-thirds of the Preferred Stock then outstanding voting as a class.

(g) *Unclaimed Dividends.* Anything herein to the contrary notwithstanding, any and all right, title, interest and claim in or to any dividends declared by the Surviving Corporation, whether in cash, stock or otherwise, which are unclaimed by the stockholder entitled thereto for a period of six years after the close of business on the payment date, shall be and be deemed to be extinguished and abandoned; and such unclaimed dividends in the possession of the Surviving Corporation, its transfer agents or other agents or depositaries, shall at such time become the absolute property of the Surviving Corporation, free and clear of any and all claims of any persons whatsoever.

4. *Rights or Options.* The Surviving Corporation shall have the power to create and issue, whether or not in connection with the issue and sale of any shares of stock or other securities of the Surviving Corporation, rights or options entitling the holders thereof to purchase from the Surviving Corporation any shares of its capital stock of any class or classes, such rights or options to be evidenced by or in such instrument or instruments as shall be approved by the Board of Directors. The terms upon which, the time or times, which may be limited or unlimited in duration, at or within which, and the price or prices at which any such rights or options may be issued and any such shares may be purchased from the Surviving Corporation upon the exercise of any such right or option shall be such as shall be fixed and stated in a resolution or resolutions adopted by the Board of Directors providing for the creation and issue of such rights or options, and, in every case, set forth or incorporated by reference in the instrument or instruments evidencing such rights or options. In the absence of actual fraud in the transaction, the judgment of the Directors as to the consideration for the issuance of such rights or options and the sufficiency thereof shall be conclusive. The foregoing shall apply, *mutatis mutandis*, to any such rights or options created or issued by either of the constituent corporations, or any predecessor thereof.

5. *Negation of Preemptive Right.* No holder of any stock of the Surviving Corporation of any class now or hereafter authorized shall have any right, preemptive or otherwise, as such holder (other than such right, if any, as the Board of Directors in its discretion may determine) to purchase, subscribe for or otherwise acquire any shares of stock of the Surviving Corporation of any class now or hereafter authorized, or any part paid receipts or allotment certificates in respect of any such shares, or any securities convertible into or exchangeable for any such shares, or any warrants or other instruments evidencing rights or options to subscribe for, purchase, or otherwise acquire any such shares, whether such shares, receipts, certificates, securities, warrants or other instru-

ments be unissued, or issued and thereafter acquired by the Surviving Corporation.

6. *Issuance of Securities.* The Board of Directors of the Surviving Corporation shall have authority to authorize the issuance, from time to time without any vote or other action by the stockholders, of all or any shares of the stock of the Surviving Corporation of any class now or hereafter authorized, part paid receipts or allotment certificates in respect of any such shares and any securities convertible into or exchangeable for any such shares (whether such shares, receipts, certificates or securities be unissued, or issued and thereafter acquired by the Surviving Corporation), in each case to such corporations, associations, partnerships, individuals or others, for such consideration and on such terms as the Board of Directors from time to time in its discretion lawfully may determine; provided, however, that the consideration for the issuance of shares of stock of the Surviving Corporation having par value shall not be less than such par value.

SIXTH: *Minimum Capital.* The minimum amount of capital of the Surviving Corporation immediately upon this Agreement becoming effective shall be \$1,000,000.

SEVENTH: *Conversion of Shares of the Constituent Corporations.* The manner, if any, of converting the shares of the Constituent Corporations into shares of the Surviving Corporation shall be as follows:

(a) Each share of Preferred Stock without par value of Dynamics issued and outstanding at the effective date of the merger and the certificates therefor shall not be affected by the merger and each such share shall continue to be a share of Preferred Stock of the Surviving Corporation, with the designations, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions thereof hereinabove set forth for the purpose of convenience *ipsissimis verbis* as contained in the Agreement of Merger dated as of the 24th day of April, 1952 by and between Electric Boat Company and Dynamics hereinabove referred to, which initially fixed such designations, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions thereof.

(b) Each share of Common Stock of the par value of \$3 each of Dynamics and each Restricted Stock Option for the purchase of shares of such Common Stock issued and outstanding at the effective date of the merger and the certificates therefor shall not be affected by the merger and each such share or Restricted Stock Option shall continue to be a share of Common Stock or a Restricted Stock Option, as the case may be, of the Surviving Corporation.

(c) Each share of Common Stock of the par value of \$1 per share of Convair outstanding at the effective date of the merger and all rights in respect thereof shall forthwith be converted into four-sevenths of one share of Common Stock of the Surviving Corporation of the par value of \$3 each and each holder of such Common Stock of Convair, upon presentation and surrender of his certificate or certificates for such Common Stock to the Surviving Corporation or its designated agent, shall be entitled to receive in exchange therefor one or more certificates representing shares of Common Stock of the Surviving Corporation at the rate of four-sevenths of one share of such Common Stock for each share of Common Stock of Convair represented by the certificate or certificates so surrendered; provided, however, that the 400,000 shares of Common Stock of Convair held and owned by Dynamics shall not be converted into shares of Common Stock of the Surviving Corporation and on the effective date of the merger such shares of stock and the certificates representing the same shall forthwith be deemed to be cancelled and the certificate or certificates therefor shall be surrendered for cancellation and extinguishment. No fractional shares of Common Stock of the Surviving Corporation nor certificates therefor shall be issuable, but in lieu thereof there shall be issued scrip certificates for fractional shares, which scrip certificates shall be in bearer form and shall not entitle the holder thereof to any vote, dividend or any right whatsoever as a stockholder, except to receive, upon surrender of scrip certificates of like import representing in the aggregate the right to receive one or more full shares, a certificate for the number of full shares of Common Stock of the Surviving Corporation represented by the certificates so surrendered. Such scrip certificates shall otherwise be in such form and shall contain such terms and provisions as shall be fixed by the Board of Directors of Dynamics at or before the date of issue thereof and at or before the effective date of the merger. After April 30, 1960, all such scrip certificates shall be void for all purposes whatsoever.

(d) The 300 shares of Common Stock of the par value of \$1 per share of Convair, partly paid under its "Plan for the issuance of common stock of the par value of \$1 per share of Consolidated Vultee Aircraft

Corporation to and the purchase of stock by certain of its executive officers and key employees," and all rights in respect thereof shall forthwith be converted into 171 and three-sevenths partly-paid shares of Common Stock of the Surviving Corporation of the par value of \$3 each. The holder of such partly-paid shares of Common Stock of Convair upon presentation and surrender of his certificate or certificates therefor to the Surviving Corporation or its designated agent shall be entitled to receive in exchange therefor one or more certificates representing 171 partly-paid shares of Common Stock of the Surviving Corporation together with a scrip certificate for three-sevenths of a share of such Common Stock and shall be entitled upon payment to the Surviving Corporation of the balance of the purchase price of such shares (\$4,860), in accordance with said Plan, to receive one or more certificates representing 171 fully-paid shares of Common Stock of the Surviving Corporation.

(e) From and after the effective date of the merger, there shall be and be deemed to be reserved shares of Common Stock of the par value of \$3 each of the Surviving Corporation for issuance under the Restricted Stock Option Plan of Dynamics (effective in respect of and binding upon the surviving corporation) upon exercise of Restricted Stock Options at any given time outstanding or thereafter granted thereunder, to the extent of 10% of the number of shares of such Common Stock outstanding at any given time.

EIGHTH: *Existence.* The Surviving Corporation shall have perpetual existence.

NINTH: *Corporate Debts.* The private property of the stockholders shall not be subject to the payment of corporate debts to any extent whatever.

TENTH: *Directors.*

(a) The number of directors of the Surviving Corporation shall not be less than three, shall be fixed by the by-laws and may be altered from time to time as may be provided therein. In case of any increase in the number of directors, whether or not by amendment of the by-laws by the Board of Directors, or in case of any vacancy on the Board of Directors howsoever caused, the additional directors may be elected or the vacancy filled by the Board of Directors or by the stockholders in accordance with the law of the State of Delaware. The by-laws may prescribe the number of directors necessary to constitute a quorum, which number may be less than a majority of the whole Board of Directors but not less than one-third of the whole Board of Directors. The election of directors of the Surviving Corporation need not be by ballot unless the by-laws shall so require.

(b) Initially the number of directors of the Surviving Corporation shall be twenty-seven, and the following shall act as directors of the Surviving Corporation until the next annual meeting of stockholders and until their successors are respectively duly elected and qualified:

<u>Names</u>	<u>Residences</u>
Ellsworth C. Alvord.....	3512 Lowell Street, N.W., Washington, D. C.
George W. Codrington.....	12911 Lake Avenue, Lakewood, Ohio
LaMotte T. Cohu.....	Box 752, Rancho Santa Fe, California
Lambert J. Gross.....	180 Highland Avenue, Ridgewood, New Jersey
Roger I. Harris.....	110 East End Avenue, New York, New York
John D. Hertz.....	Amarillo Ranch, 5975 Shoup Avenue, Woodland Hills, Calif.
Joseph H. Himes.....	P. O. Box 547, Frederick, Maryland
John Jay Hopkins, Chairman.....	2800 Woodley Road, N.W., Washington 8, D. C.
S. R. Inch.....	2440 Marilouise Way, San Diego 3, California
I. M. Laddon.....	1068 Santa Barbara Street, San Diego 7, California
Emory S. Land.....	Sheraton Park Annex, Washington 8, D. C.
Henry M. Marx.....	Pembroke Island, Byram, Connecticut
Otto Marx.....	976 Orienta Avenue, Mamaroneck, New York
Donald N. McDonnell.....	Ambassador Hotel, Park Avenue at 51st Street, New York, New York
T. Rodgie McLagan.....	44 Sunnyside, Westmount, Quebec, Canada
Joseph T. McNarney.....	1556 Virginia Way, La Jolla, California
Clifton M. Miller.....	Hinchingham, Chestertown, Maryland
J. V. Naish.....	1361 Rhoda Drive, La Jolla, California
J. Geoffrey Notman.....	4655 Roslyn Avenue, Montreal, Quebec, Canada
Frank Pace, Jr.....	Hillside Road, Greenwich, Connecticut
Morehead Patterson.....	730 Park Avenue, New York, New York
R. C. Patterson, Jr.....	280 Park Avenue, New York, New York

<u>Names</u>	<u>Residences</u>
Lawrence B. Richardson.....	860 Club Road, Hagerstown, Maryland
O. Pomeroy Robinson, Jr.....	Waterford, Connecticut
Reeve Schley.....	Far Hills, New Jersey
Thomas A. Scott.....	40 Fifth Avenue, New York, New York
Robert F. Windfohr.....	1900 Spanish Trail, Fort Worth, Texas

(c) Initially the members of the Executive Committee of the Board of Directors of the Surviving Corporation shall be eight, and the following directors shall act as members of such Committee:

George W. Codrington	Clifton M. Miller, Vice Chairman
John Jay Hopkins, ex-officio	J. V. Naish
Otto Marx, Chairman	Frank Pace, Jr.
Joseph T. McNarney	O. Pomeroy Robinson, Jr.

ELEVENTH: *Annual Meeting of Stockholders.* The first annual meeting of stockholders of the Surviving Corporation after the effective date of this Agreement shall be the annual meeting provided or to be provided in the by-laws of the Surviving Corporation for the year 1955.

TWELFTH: *Meetings.* The stockholders and the Board of Directors shall have power to hold their meetings within or without the State of Delaware at such place or places as from time to time may be designated by the by-laws, or in case of the Board of Directors, by resolution of the Board or by consent of all its members.

THIRTEENTH: *Certain Powers of Board of Directors.* Without limiting the generality of any other matters herein contained:

(a) The Board of Directors shall have the power, without the assent or vote of the stockholders, to fix the time for the declaration and payment of dividends, to fix and vary the amount to be reserved for any proper purpose, and to authorize and to cause to be executed mortgages and liens upon the real and personal property of the Surviving Corporation, including after-acquired property, to determine the use and disposition of any surplus or net profits arising from the business of the Surviving Corporation and to use and apply any such surplus or net profits for the purchase or acquisition of bonds or other obligations or shares of stock of the Surviving Corporation, to such extent and in such manner and upon such terms as the Board of Directors shall deem expedient, and shares of stock of the Surviving Corporation so purchased or acquired may be resold.

(b) All corporate powers shall be exercised by the Board of Directors, without the assent or other action of the stockholders, except as otherwise expressly provided by law or by this Agreement of Merger or by the by-laws of the Surviving Corporation.

(c) Without the assent or other action of the stockholders, unless otherwise expressly provided by law or by this Agreement of Merger, the Board of Directors may purchase, acquire, hold, lease, mortgage, pledge, grant options with respect to, sell and convey such property, real or personal, without as well as within the State of Delaware, as the Board of Directors may, from time to time, determine; and, in payment for any property, it may issue or cause to be issued stock of the Surviving Corporation, bonds, debentures, or other obligations thereof, secured or unsecured.

(d) The Board of Directors may, by resolution or resolutions passed by a majority of the whole Board, designate one or more committees, each committee to consist of two or more of the directors of the Surviving Corporation, which, to the extent provided in said resolution or resolutions or in the by-laws of the Surviving Corporation, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Surviving Corporation. Such committee or committees shall have such name or names as may be stated in the by-laws of the Surviving Corporation or as may be determined from time to time by resolution adopted by the Board of Directors.

(e) In addition to the powers and authorities hereinbefore or by statute expressly conferred upon it, the Board of Directors is hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Surviving Corporation, subject, however, to the provisions of the statutes of the State of Delaware, of this Agreement of Merger, and of the by-laws of the Surviving Corporation.

FOURTEENTH: *By-Laws.* The by-laws of the Surviving Corporation shall be the by-laws of Dynamics in effect at the effective date of the merger. Subject to any limitations which may be imposed by the stockholders or by statute, the Board of Directors may make by-laws and from time to time may alter, amend or repeal any by-law or by-laws.

FIFTEENTH: *Interest of Directors and Officers in Contracts and Transactions.* No contract or other transaction between the Surviving Corporation and any other corporation and no act of the Surviving Corporation shall in any way be affected or invalidated by the fact that any of the directors of the Surviving Corporation are pecuniarily or otherwise interested in, or are directors or officers of, such other corporation; any director individually, or any firm of which any director may be a member, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of the Surviving Corporation, provided that the fact that he or such firm is so interested shall be disclosed or shall have been known to the Board of Directors or a majority thereof; and any director of the Surviving Corporation who is also a director or officer of such other corporation or who is so interested may be counted in determining the existence of a quorum at any meeting of the Board of Directors of the Surviving Corporation which shall authorize any such contract or transaction and may vote thereat to authorize any such contract or transaction with like force and effect as if he were not such director or officer of such other corporation or not so interested.

SIXTEENTH: *Indemnification of Directors and Officers.* Each director and officer of the Surviving Corporation and any person serving at its request as director or officer of another corporation in which it owns shares of capital stock or of which it is a creditor shall be indemnified by the Surviving Corporation against all expenses (including costs and attorneys' fees) actually and necessarily incurred or paid by him in connection with the defense of any action, suit or proceeding to which he may be made a party by reason of his being or having been such director or officer, or by reason of any action or omission or alleged action or omission by him in such capacity, and against any amount or amounts which may be paid by him (other than to the Surviving Corporation) in reasonable settlement of any such action, suit or proceeding, where it is in the interest of the Surviving Corporation that such settlement be made. In cases where such action, suit or proceeding shall proceed to final adjudication, such indemnification shall not extend to matters as to which it shall be adjudged that such director or officer is liable for negligence or misconduct in the performance of his duties as such. The right of indemnification herein provided for shall not be exclusive of other rights to which any director or officer or person may now or hereafter be entitled, shall continue as to a person who has ceased to be such director or officer, and shall inure to the benefit of the heirs, executors and administrators of such director or officer.

SEVENTEENTH: *Compromise or Arrangement.* Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof, or on the application of any receiver or receivers appointed for this Corporation under the provisions of section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also on this Corporation.

EIGHTEENTH: *Effective Date.*

(a) This Agreement upon the filing thereof in the Office of the Secretary of State of the State of Delaware and the recording thereof in the Office of the Recorder of Kent County, Delaware, and in the Office of the Recorder of New Castle County, Delaware, shall take effect and be effective and shall thereupon be deemed and taken to be the Agreement and Act of Merger of the Constituent Corporations with and into the Surviving Corporation, and the separate existence of Convair, except insofar as it may be

continued by statute, shall cease.

(b) The "effective date of this Agreement" or the "effective date of the merger" as herein referred to shall be the close of business on the day of such filing and recording.

(c) Upon the effective date of this Agreement, all and singular the rights, privileges, powers and franchises, as well of a public as of a private nature, of each of the Constituent Corporations shall be possessed by the Surviving Corporation, subject to all the restrictions, disabilities and duties of each of the Constituent Corporations and all and singular the rights, privileges, powers and franchises of each of the Constituent Corporations and all property, real, personal and mixed, and all debts due to any of the Constituent Corporations on whatever account, as well for stock subscriptions as all other things in action or belonging to each of the Constituent Corporations, shall be vested in the Surviving Corporation, and all property, rights, privileges, powers and franchises and all and every other interest shall be thereafter as effectually the property of the Surviving Corporation as they were of the several and respective Constituent Corporations and the title to any real estate vested by deed or otherwise under the laws of the State of Delaware in any of the Constituent Corporations shall not revert or be in any way impaired by reason of the merger herein provided for.

Without limiting the generality of the foregoing, upon the effective date of this Agreement, all domestic and foreign trade marks, trade names, trade mark and trade name registrations, copyrights, patents and design patents and all applications for the foregoing of every description, the business and good will appertaining thereto, the formulae and trade secrets and all other similar rights, privileges, franchises, powers and property of each of the Constituent Corporations shall be vested in the Surviving Corporation and shall be thereafter as effectually the property of the Surviving Corporation as they were of the several and respective Constituent Corporations.

Further, without limiting the generality of the foregoing, upon the effective date of this Agreement, the following plans, agreements or arrangements shall be effective in respect of and binding upon the Surviving Corporation and shall attach and be enforceable against it as if the same had been incurred or contracted by it:

(1) Restricted Stock Option Plan dated March 26, 1951, approved by the stockholders of Electric Boat Company, the predecessor of Dynamics, on April 26, 1951, and made a part of the Agreement of Merger dated as of the 24th day of April, 1952, by and between Electric Boat Company and Dynamics, effective in respect of Restricted Stock Options outstanding at the effective date of the merger and Restricted Stock Options thereafter granted under said Plan to officers and employees of the Surviving Corporation and its subsidiaries for the purchase of shares of Common Stock of the Surviving Corporation; provided, however, that the aggregate of Restricted Stock Options outstanding at any given time shall not cover an aggregate number of shares in excess of 10% of the number of shares of Common Stock of the Surviving Corporation outstanding at such time.

(2) Incentive Compensation Plan of Dynamics dated March 7, 1952, to remain in effect as to that class of officers and employees which would have been covered thereby in the absence of this merger;

(3) Incentive Compensation Plan of Convair, effective commencing with the fiscal year ended November 30, 1953 and to remain in effect as to that class of officers and employees which would have been covered thereby in the absence of this merger;

(4) Retirement Plan of Dynamics dated March 7, 1952, to remain in effect as to that class of officers and employees which would have been covered thereby in the absence of this merger;

(5) Retirement Plan of Convair, effective October 1, 1941, to remain in effect as to that class of officers and employees which would have been covered thereby in the absence of this merger;

(6) Electro Dynamic Hourly-Rate Employees Retirement Plan of Dynamics, effective as of January 1, 1954, and to remain in effect as to that class of employees which would have been covered thereby in the absence of this merger;

(7) Electric Boat Division Hourly-Rate Technical Design Employees Retirement Plan of Dynamics, effective as of January 1, 1954, and to remain in effect as to that class of employees which would have been covered thereby in the absence of this merger; and

(8) Any and all other plans, agreements or arrangements of Dynamics and Convair in force at the effective date of the merger shall be applicable to the persons who would have been covered thereby in the absence of this merger, with the exception of the "Plan for the issuance of Common Stock of the par value of \$1 per share of Consolidated Vultee Aircraft Corporation to and the purchase of such stock by certain of its executive officers and key employees" dated May 31, 1950, which upon the effective date of the merger shall be and be deemed to be cancelled and of no further force, except as to shares at that time issued and partly-paid thereunder.

(d) Convair shall from time to time execute and deliver or cause to be executed and delivered all such deeds and other instruments, and shall take or cause to be taken such further or other action as the Surviving Corporation may deem necessary or desirable in order to vest in and confirm to the Surviving Corporation title to and possession of all the aforesaid rights, privileges, powers and franchises and property, and otherwise to carry out the intent and purpose of this Agreement.

NINETEENTH: *Counterparts.* For the convenience of the parties and to facilitate the filing or recording of this Agreement, any number of counterparts hereof may be executed and each such executed counterpart shall be deemed to be an original instrument.

TWENTIETH: *Amendments.* The Surviving Corporation reserves the right to amend, alter, repeal or make additions to any provision contained in this Agreement in the manner now or hereafter prescribed by the statutes and laws of the State of Delaware, and all rights conferred on officers, directors and stockholders herein are granted subject to this reservation.

TWENTY-FIRST: *Voidability.* This Agreement shall be void at the option of the Board of Directors of either Dynamics or of Convair unless the votes of stockholders of Dynamics or of Convair representing at least two-thirds of the total number of shares of the respective capital stock of said corporations shall be for the adoption thereof.

TWENTY-SECOND: *Descriptive Headings.* The descriptive headings of the several articles, sections and paragraphs of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

IN WITNESS WHEREOF, each of the Constituent Corporations parties to this Agreement has caused these present to be signed by a majority of its Board of Directors and its corporate seal to be hereunto affixed, all as of the day and year first above written.

Directors of

GENERAL DYNAMICS CORPORATION

George W. Codrington
Joseph H. Himes
John Jay Hopkins
Emory S. Land
Otto Marx
T. Rodgie McLagan
Clifton M. Miller
J. Geoffrey Notman
Frank Pace, Jr.
Morehead Patterson
Lawrence B. Richardson
O. Pomeroy Robinson, Jr.
Reeve Schley
Thomas A. Scott

Directors of

CONSOLIDATED VULTEE AIRCRAFT CORPORATION

Ellsworth C. Alvord
George W. Codrington
La Motte T. Cohu
Lambert J. Gross
Roger I. Harris
John D. Hertz
John Jay Hopkins
S. R. Inch
I. M. Laddon
Henry M. Marx
Donald N. McDonnell
Joseph T. McNarney
Clifton M. Miller
J. V. Naish
Frank Pace, Jr.
R. C. Patterson
Lawrence B. Richardson
O. Pomeroy Robinson, Jr.
Robert F. Windfohr

The undersigned, CHARLES P. HART, Secretary of GENERAL DYNAMICS CORPORATION, one of the Constituent Corporations mentioned in the within Agreement of Merger, on behalf of said corporation, certifies as follows:

The within Agreement of Merger has been submitted to the stockholders of said corporation at a meeting thereof duly called and held, in accordance with the provisions of Section 251 of the General Corporation Law of the State of Delaware, on the 29th day of April, 1954, and at said meeting said Agreement was considered and a vote by ballot in person or by proxy taken for the adoption or rejection of said Agreement, and the votes of the stockholders of said corporation representing _____ shares of its Capital Stock, being at least two-thirds of the shares of said Capital Stock issued and outstanding and entitled to vote, were for the adoption of said Agreement and voted therefor.

IN WITNESS WHEREOF, the undersigned hereby certifies to the foregoing under the corporate seal of said corporation this _____ day of _____, 1954.

.....

The undersigned, EDMUND BURKE, Secretary of CONSOLIDATED VULTEE AIRCRAFT CORPORATION, one of the Constituent Corporations mentioned in the within Agreement of Merger, on behalf of said corporation, certifies as follows:

The within Agreement of Merger has been submitted to the stockholders of said corporation at a meeting thereof duly called and held, in accordance with the provisions of Section 251 of the General Corporation Law of the State of Delaware, on the _____ day of _____, 1954, and at said meeting said Agreement was considered and a vote by ballot in person or by proxy taken for the adoption or rejection of said Agreement, and the votes of the stockholders of said corporation representing _____ shares of its Capital Stock, being at least two-thirds of the shares of said Capital Stock issued and outstanding and entitled to vote, were for the adoption of said Agreement and voted therefor.

IN WITNESS WHEREOF, the undersigned hereby certifies to the foregoing under the corporate seal of said corporation this _____ day of _____, 1954.

.....

The within Agreement of Merger, adopted by General Dynamics Corporation and Consolidated Vultee Aircraft Corporation, is hereby executed by said corporations, respectively.

IN WITNESS WHEREOF, this Agreement has been signed by the President and Secretary of General Dynamics Corporation the day of , 1954, and by the President and Secretary of Consolidated Vultee Aircraft Corporation the day of , 1954, under the respective corporate seals thereof and has been duly acknowledged by the President of each of said corporations.

GENERAL DYNAMICS CORPORATION

By.....
President

Attest:

.....
Secretary

CONSOLIDATED VULTEE AIRCRAFT CORPORATION

By.....
President

Attest:

.....
Secretary

STATE OF DELAWARE }
COUNTY OF KENT } ss:

BE IT REMEMBERED that on this day of , 1954, before me, a Notary Public in and for the County and State aforesaid, personally came JOHN JAY HOPKINS, the President of GENERAL DYNAMICS CORPORATION, a corporation of the State of Delaware, party to the foregoing Agreement of Merger, to me personally known and personally known to me to be such President, and who, being by me duly sworn, did depose and say that he is the President of General Dynamics Corporation, one of the corporations described in and which executed the foregoing Agreement of Merger; that he resides in Washington, District of Columbia; that he knows the seal of said corporation; that the seal affixed to said Agreement is the corporate seal of said corporation; that it was affixed to said Agreement by authority of a majority of the directors and by order and resolution adopted by the holders of at least two-thirds of the Capital Stock of said corporation entitled to vote, for the uses and purposes therein expressed, and that by like authority and order he signed and subscribed his name thereto as President of said corporation and executed and acknowledged the same; that the signature of the President is in his own proper handwriting and said John Jay Hopkins then and there acknowledged said Agreement before me to be his own act, deed and agreement and the corporate act, deed and agreement of said corporation.

WITNESS my hand and notarial seal the day and year aforesaid.

.....

STATE OF DELAWARE }
COUNTY OF KENT } ss:

BE IT REMEMBERED that on this day of , 1954, before me, a Notary Public in and for the County and State aforesaid, personally came JOSEPH T. McNARNEY, the President of CONSOLIDATED VULTEE AIRCRAFT CORPORATION, a corporation of the State of Delaware, party to the foregoing Agreement of Merger, to me personally known and personally known to me to be such President, and who, being by me duly sworn, did depose and say that he is the President of Consolidated Vultee Aircraft Corporation, one of the corporations described in and which executed the foregoing Agreement of Merger; that he resides in La Jolla, California; that he knows the seal of said corporation; that the seal affixed to said Agreement is the corporate seal of said corporation; that it was affixed to said Agreement by authority of a majority of the directors and by order and resolution adopted by the holders of at least two-thirds of the Capital Stock of said corporation entitled to vote, for the uses and purposes therein expressed, and that by like authority and order he signed and subscribed his name thereto as President of said corporation and executed and acknowledged the same; that the signature of the President is in his own proper handwriting and said Joseph T. McNarney then and there acknowledged said Agreement before me to be his own act, deed and agreement and the corporate act, deed and agreement of said Corporation.

WITNESS my hand and notarial seal the day and year aforesaid.

.....

San Francisco

EXHIBIT B

Chicago

SANDERSON & PORTER
Engineers and Constructors
52 William Street, New York

March 5, 1954

Mr. Clifton M. Miller,
Chairman of the Special Committee of
the Board of Directors of
General Dynamics Corporation
445 Park Avenue,
New York 22, New York

Mr. Donald N. McDonnell,
Chairman of the Special Committee of
the Board of Directors of
Consolidated Vultee Aircraft Corporation
c/o Blyth & Co., Inc.
14 Wall Street,
New York 5, New York

Gentlemen:

At your request we have made investigations of General Dynamics Corporation and Consolidated Vultee Aircraft Corporation in connection with the possible merger of the two companies. Our assignment was to make independent appraisal of the desirability of such a merger and the fairness to the companies and their stockholders of the proposed terms.

The scope of our work consisted of study and analysis of the factors which seemed to us material in determining the reasonableness of the proposed terms of merger; it included a review of the recent financial history and operating results of each division of the two companies, with consideration of the trend reflected by each record; discussions with key members of the organizations regarding administrative, engineering, production, and financial policies and programs, and inspection, with one minor exception, of the plant facilities used by each company, both owned and leased. In addition to a study of the relative market prices in recent times of the stocks of the companies, we gave consideration to their standing in their respective industries, their current capital situation, and their near term prospects as reflected by the amounts and character of their sales backlogs and present or proposed products for military or private use. We made no appraisal of fixed assets or inventories nor evaluation of any legal or accounting features of the transaction.

In our opinion merger of the companies is desirable and the basis of merger now promulgated as generally described in the Proxy Statement of which this letter is hereby made a part with our consent is fair and equitable to the holders of the preferred and common stock of General Dynamics Corporation, the holders of the common stock of Consolidated Vultee Aircraft Corporation, and to both corporations.

Yours very truly,

SANDERSON & PORTER

EXHIBIT C

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
Consolidated Vultee Aircraft Corporation

We have examined the balance sheet of Consolidated Vultee Aircraft Corporation at November 30, 1953 and the related statements of income and earned surplus for the three years then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. It was not practicable to confirm receivables from the United States Government, but we satisfied ourselves as to their substantial accuracy by other means.

In our opinion, the above-described statements present fairly the financial position of Consolidated Vultee Aircraft Corporation at November 30, 1953 and the results of its operations for the three years then ended, in conformity with generally accepted accounting principles applied on a consistent basis during the period.

Los Angeles, California
January 28, 1954

ARTHUR YOUNG & COMPANY

CONSOLIDATED VULTEE AIRCRAFT CORPORATION

BALANCE SHEET

NOVEMBER 30, 1953

ASSETS

CURRENT ASSETS:

Cash		\$ 33,939,096
Accounts receivable—United States Government (Note 1)		3,509,925
Accounts receivable—other (Note 1)		3,218,882
Unreimbursed expenditures and fees under United States Government cost-plus-fixed-fee contracts (Note 1)		33,807,171
Inventories, at lower of cost or market (Notes 1 and 2):		
Finished goods	\$ 1,454,246	
Work in process	131,966,295	
Materials, parts and supplies	15,791,886	
	<u>\$149,212,427</u>	
Less: Progress payments received	95,060,387	54,152,040
Advances to vendors and subcontractors		1,638,902
Prepaid expenses		<u>1,282,378</u>
Total current assets		<u>\$131,548,394</u>

INVESTMENTS AND OTHER ASSETS:

Security investments, at cost (quoted market value \$485,101)	\$ 617,053	
Notes receivable—Airfleets, Inc.—due 1960	2,037,240	
Claim for Federal income tax refund (Note 3)	2,919,758	
Other	<u>421,006</u>	5,995,057

PROPERTY, PLANT AND EQUIPMENT, at cost (Note 4):

Land and improvements	\$ 1,510,411	
Buildings	12,892,109	
Machinery and equipment	<u>11,882,701</u>	
	<u>\$ 26,285,221</u>	
Less: Accumulated depreciation and amortization	<u>16,349,012</u>	9,936,209
		<u>\$147,479,660</u>

Reference is made to the accompanying notes.

CONSOLIDATED VULTEE AIRCRAFT CORPORATION
BALANCE SHEET
NOVEMBER 30, 1953

LIABILITIES AND SHARE OWNERS' EQUITY

CURRENT LIABILITIES:

Notes payable to banks (Note 1)	\$ 45,000,000
Accounts and wages payable	32,274,674
Customers' deposits on sales contracts	7,000,641
Federal taxes on income	9,672,890
Other taxes	610,147
Incentive compensation plan (Note 5)	<u>501,000</u>
Total current liabilities	\$ 95,059,352

SHARE OWNERS' EQUITY:

Common stock—par value \$1 a share:

Authorized—2,400,000 shares (Note 6)

Issued—2,379,298 shares \$ 2,379,298

Partly paid under stock purchase plan (Note 6) 540

Paid-in surplus (Note 7) 19,753,272

Earned surplus (Note 1) (see accompanying statement) 30,287,198 52,420,308

CONTINGENT LIABILITIES AND LONG-TERM LEASES (Notes 8 and 9)

\$147,479,660

Reference is made to the accompanying notes.

CONSOLIDATED VULTEE AIRCRAFT CORPORATION
STATEMENT OF INCOME
FOR THE THREE YEARS ENDED NOVEMBER 30, 1953

	Year ended November 30,		
	1951	1952	1953
SALES AND OTHER INCOME:			
Net sales (includes reimbursable expenditures and fees under cost-plus-fixed-fee contracts) (Note 9) . . .	\$322,157,501	\$390,997,843	\$370,703,232
Interest earned	46,852	104,516	119,481
Dividends received	28,000	99,899	6,408
Miscellaneous	62,970	111,886	72,069
	<u>\$322,295,323</u>	<u>\$391,314,144</u>	<u>\$370,901,190</u>
COSTS AND EXPENSES:			
Wages, materials and other costs (excluding certain items set forth below) (Note 2)	\$293,995,156	\$350,873,618	\$327,832,571
General, administrative and selling expense	11,332,497	15,092,945	18,466,690
Taxes, other than income taxes	4,273,712	5,196,898	4,792,635
Depreciation and amortization	706,847	1,637,873	1,831,198
Interest expense	436,587	1,717,480	1,792,033
Incentive compensation plan (Note 5) . . . . .	....	....	501,000
	<u>\$310,744,799</u>	<u>\$374,518,814</u>	<u>\$355,216,127</u>
	\$ 11,550,524	\$ 16,795,330	\$ 15,685,063
PROVISION FOR FEDERAL INCOME TAXES (including excess profits taxes of \$840,000 for 1952 and \$300,000 for 1953) (Note 10)			
	<u>3,800,000</u>	<u>8,500,000</u>	<u>8,350,000</u>
INCOME BEFORE EXTRAORDINARY INCOME . . .	<u>\$ 7,750,524</u>	<u>\$ 8,295,330</u>	<u>\$ 7,335,063</u>
EXTRAORDINARY INCOME:			
Profit on sale of office building (less portion of profit applicable to installment note receivable—credited to earned surplus in 1953) (Note 11)	\$	\$ 946,146	\$
Tax refund for prior years . . . . .	....	935,265	....
Profit on sale of securities (cost based on identified certificates) . . . . .	....	249,735	....
Federal income tax recoverable for the year 1951 arising from change in Internal Revenue Code in 1953 (Note 3) . . . . .	....	....	2,919,758
	<u>\$</u>	<u>\$ 2,131,146</u>	<u>\$ 2,919,758</u>
NET INCOME (Note 10)	<u>\$ 7,750,524</u>	<u>\$ 10,426,476</u>	<u>\$ 10,254,821</u>

Reference is made to the accompanying notes.

CONSOLIDATED VULTEE AIRCRAFT CORPORATION
STATEMENT OF EARNED SURPLUS
FOR THE THREE YEARS ENDED NOVEMBER 30, 1953

	Year ended November 30,		
	1951	1952	1953
BALANCE AT BEGINNING OF YEAR	\$15,213,778	\$19,652,080	\$25,921,808
NET INCOME (Note 10)	<u>7,750,524</u>	<u>10,426,476</u>	<u>10,254,821</u>
	<u>\$22,964,302</u>	<u>\$30,078,556</u>	<u>\$36,176,629</u>
DISTRIBUTIONS TO SHARE OWNERS:			
Cash dividends paid (\$1.40 a share in 1951, \$1.75 a share in 1952 and \$1.80 a share in 1953)	\$ 3,312,222	\$ 4,156,748	\$ 4,302,376
Common stock of San Diego Corporation—236,704 shares (Note 11) . . . . .	....	....	3,195,504
Portion of profit deferred at November 30, 1952 applicable to installment note receivable transferred to San Diego Corporation (Note 11)	<u>....</u>	<u>....</u>	<u>(1,608,449)</u>
	<u>\$ 3,312,222</u>	<u>\$ 4,156,748</u>	<u>\$ 5,889,431</u>
BALANCE AT END OF YEAR (Note 1)	<u>\$19,652,080</u>	<u>\$25,921,808</u>	<u>\$30,287,198</u>

Reference is made to the accompanying notes.

CONSOLIDATED VULTEE AIRCRAFT CORPORATION

NOTES TO FINANCIAL STATEMENTS

Note 1:

The Company has a credit agreement with a group of banks whereby the banks have extended credit not to exceed an aggregate amount of \$75,000,000, subject to "borrowing limits" and other conditions prescribed by the credit agreement, to be evidenced by notes that mature in ninety days from date of borrowing but not later than April 30, 1955. The agreement requires that the Company maintain net current assets of at least \$25,000,000 and net total assets of at least \$37,500,000. The effect of maintaining the required net current assets results in \$18,798,156 of earned surplus being unavailable for dividends at November 30, 1953.

Notes payable to banks, which amount to \$45,000,000 at November 30, 1953, are secured by assignment of moneys due and to become due under certain contracts. Included in the balance sheet, and applicable to these contracts, are accounts receivable—United States Government of \$3,338,860, accounts receivable—other of \$361,789, unreimbursed expenditures and fees under cost-plus-fixed-fee contracts of \$29,439,407 and inventories of approximately \$34,900,000.

Note 2:

Inventories are stated at the lower of cost or estimated realizable value. Work in process includes cost of labor, material, manufacturing expense, tooling and engineering. Costs of deliveries under fixed-price contracts are relieved from work in process based on estimated costs, which estimates are revised as necessary to reflect actual costs as the military contracts or commercial programs progress and reach completion.

The inventory balances, which have been used in computation of costs of sales for the three years ended November 30, 1953, were as follows: at November 30, 1950—\$16,025,621; 1951—\$41,336,726; 1952—\$97,988,895; 1953—\$149,212,427.

Under the contractual arrangements by which the Company receives progress payments from the United States Government, title to inventories identified with Government contracts is vested in the Government.

Note 3:

As a result of a change in the Internal Revenue Code provided by Sec. 205 of the Technical Changes Act of 1953, the Company was able to carry forward unused operating losses incurred during the fiscal year 1948 and apply these losses against taxable income for the fiscal year 1951. A claim for refund of Federal income taxes in the amount of \$2,919,758 has been filed and this amount is included in 1953 income as an extraordinary item.

Note 4:

Property, plant and equipment in use at November 30, 1953 include \$11,607,842 of facilities which are fully reserved for (principally World War II emergency facilities), and \$5,083,694 which is being amortized over a sixty month period as allowed under certificates of necessity issued under the Revenue Act of 1950. This amount will be approximately \$1,000,000 greater when all acquisitions under present certificates are completed.

A material portion of the plant facilities used by the Company in performing contracts for the Department of Defense during the three years ended November 30, 1953 was leased from the United States Government at a nominal annual rental, plus maintenance expense.

Provision for depreciation of property, plant and equipment, other than the emergency facilities referred to above, is made on a straight-line basis, the principal annual rates used during the three years ended November 30, 1953 being as follows: $3\frac{1}{3}\%$ to 8% for land improvements; $3\frac{1}{3}\%$ to 5% for buildings; 10% to 12% for machinery and equipment; 24% for engineering research and development equipment; $6\frac{2}{3}\%$ to 24% for office and automotive equipment. The depreciation rates which have been used are considered adequate to

NOTES TO FINANCIAL STATEMENTS (CONT'D.)

Note 4 (Cont'd.):

extinguish the cost of the various classes of depreciable property over the period of their useful lives, due consideration being given to obsolescence.

When an item of property, plant and equipment (other than emergency facilities) is sold or retired, the related reserve account is, in most instances, charged with the cost thereof less proceeds from sale or retirement. When an emergency facility item is sold or retired, the related reserve is charged with the amount included therein applicable to the item sold or retired and the difference between the net book value and proceeds from sale or retirement is charged or credited to income.

Expenditures for maintenance and repairs are charged to overhead expenses and distributed to work orders in accordance with the Company's policy of distributing overhead. Expenditures for replacements are capitalized and the assets replaced are retired.

Note 5:

In 1953 the Board of Directors adopted (subject to share owners' approval) an incentive compensation plan for employees responsible in an executive, administrative, professional, technical or advisory capacity for the management of the operations of the Company, as selected and in amounts determined upon by the incentive compensation committee of the Board of Directors. The amount of \$501,000 has been included in the accounts at November 30, 1953 as representing the amount determined upon by the said committee to be available for distribution under the plan upon the approval thereof by the share owners.

Note 6:

Under a stock purchase plan approved by the share owners in 1950, provision was made for stock to be sold to executive officers and key employees at the market price prevailing at the date subscribed, said price to be payable in installments over a period of five years. At November 30, 1953, 59,600 shares had been issued upon receipt of full payment aggregating \$630,863. The only other shares now reserved under the plan consist of 300 which were subscribed for during the year ended November 30, 1953 at \$5,400 in respect of which partial payment of \$540 has been received.

Note 7:

Paid-in surplus increased \$491,079 in 1951, \$50,664 in 1952 and \$22,524 in 1953; \$206,630 of the increase in 1951 and the entire increase in 1952 and 1953 represent the excess of proceeds over par value of 21,277 shares, 5,333 shares and 2,371 shares of common stock issued in the respective years under the stock purchase plan referred to in Note 6. The balance of the increase in 1951, \$284,449, represents the net amount received from a former share owner.

Note 8:

There are no lawsuits or claims pending which should materially affect the financial position of the Company. Rent commitments under various leases amount to approximately \$6,000,000 at November 30, 1953 payable as follows: 1954—\$800,000; 1955—\$690,000; 1956—\$605,000; 1957—\$505,000; 1958—\$265,000 and thereafter in declining amounts to 1983. In addition the Company pays taxes, insurance, repairs and maintenance under certain of the leases.

Note 9:

A major portion of the sales for the years 1951, 1952 and 1953 was to the Department of Defense and hence subject to renegotiation. Renegotiation proceedings for 1951 and preliminary proceedings for 1952 have indicated that no refund will be required for these years and it is believed that no refund will be required with respect to the year 1953.

NOTES TO FINANCIAL STATEMENTS (CONT'D.)

Note 10:

Had it not been for the carry-forward of prior years' operating losses, the provision for Federal income taxes for 1951 would have been increased by \$2,850,000 (including \$850,000 excess profits tax). The provision for Federal income taxes for 1952 is approximately \$1,558,000 less than would have been required if it were not for the fact that 1952 income on cost-plus-fixed-fee contracts includes some items that were treated for purpose of Federal tax returns as income in prior years.

No tax accrued on the profit on sale of office building and securities in 1952 due to a carry-forward of a prior year's capital loss.

Note 11:

In December 1952, the Company transferred an installment note receivable in the face amount of \$1,700,000, cash in the amount of \$1,360,000 and oil properties having a net book value of \$180,000 to San Diego Corporation in exchange for which the Company received all the outstanding stock of San Diego Corporation amounting to 240,000 shares. Of these shares, the Company subsequently distributed to its share owners 236,704 shares on the basis of one-tenth of one share for each share of Consolidated Vultee Aircraft Corporation stock.

The note receivable mentioned above was received together with \$1,000,000 cash as consideration for the sale of the Company's office building in November 1952 (which building was leased back by the Company). The portion of the profit (\$946,146) applicable to the cash received was included in net income for the year 1952 and the profit (\$1,608,449) applicable to the note receivable was deferred at November 30, 1952 and credited to earned surplus when the San Diego Corporation stock was distributed in 1953.

Note 12:

The Company has a retirement plan for its salaried and hourly-paid employees which is carried with an insurance company. Contributions to the plan are made both by the employees and the Company. The annual cost to the Company (included in costs and expenses) for the three years ended November 30, 1953 was as follows: 1951—\$539,288; 1952—\$890,943; 1953—\$1,226,239.

There is no liability for past services and the plan may be changed or discontinued at any time.

Note 13:

Supplementary profit and loss information:

	Year ended November 30,		
	1951	1952	1953
Maintenance and repairs charged to:			
Wages, materials and other costs	\$4,940,101	\$5,832,727	\$6,324,755
General, administrative and selling expense	23,645	22,570	34,557
	<u>\$4,963,746</u>	<u>\$5,855,297</u>	<u>\$6,359,312</u>
Rents charged to:			
Wages, materials and other costs	\$ 831,190	\$1,191,973	\$1,179,634
General, administrative and selling expense	57,839	93,316	90,107
	<u>\$ 889,029</u>	<u>\$1,285,289</u>	<u>\$1,269,741</u>
Taxes, other than income taxes, shown as a separate item on the Statement of Income, consists of:			
Real estate and personal property	\$ 541,546	\$ 882,851	\$1,221,549
Social security	3,465,972	4,027,133	3,045,102
Other	266,194	286,914	525,984
	<u>\$4,273,712</u>	<u>\$5,196,898</u>	<u>\$4,792,635</u>

No management and service contract fees were paid. Royalties paid were not significant in amount.

EXHIBIT D

AUDITORS' CERTIFICATE

To the Share Owners and the Board of Directors
of General Dynamics Corporation:

We have examined the consolidated balance sheet of General Dynamics Corporation (a Delaware corporation) and subsidiary as of December 31, 1953 and the related statements of consolidated income and surplus for the three years then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. It was not practicable to confirm receivables from the United States and Canadian Governments but we have satisfied ourselves as to such accounts by other auditing procedures.

In our opinion, the accompanying consolidated balance sheet and related statements of consolidated income and surplus present fairly the financial position of General Dynamics Corporation and subsidiary as of December 31, 1953, and the results of their operations for the three years then ended, and all were prepared in conformity with generally accepted accounting principles consistently applied during the periods under review.

We have reviewed the Pro Forma entries applied in the accompanying Pro Forma Balance Sheet to give effect to the proposed merger of Consolidated Vultee Aircraft Corporation into General Dynamics Corporation. Based on our examination of the financial statements of General Dynamics Corporation and subsidiary, as of December 31, 1953, and the financial statements of Consolidated Vultee Aircraft Corporation, as of November 30, 1953, as reported upon by Arthur Young and Company, in our opinion, the Pro Forma entries applied in the accompanying Pro Forma Balance Sheet give effect fairly to (1) the issuance of 1,131,027 shares of common stock of General Dynamics Corporation in exchange for 1,979,298 shares of common stock of Consolidated Vultee Aircraft Corporation outstanding as of November 30, 1953, after giving effect to the retirement of 400,000 shares of common stock of Consolidated Vultee Aircraft Corporation owned by General Dynamics Corporation, and to the issuance of 171 partly paid shares of common stock of General Dynamics Corporation in exchange for 300 partly paid shares of common stock of Consolidated Vultee Aircraft Corporation, all as provided for in the proposed merger agreement, and (2) the consolidation of the indebtedness of General Dynamics Corporation and Consolidated Vultee Aircraft Corporation to banks under a new three-year credit agreement on a 90 day basis for working capital purposes, as noted in the proxy statement under the caption "Capitalization." The accompanying Pro Forma Balance Sheet cannot be considered as representative of the financial position of the Companies until the merger is consummated.

ARTHUR ANDERSEN & CO.

New York, N. Y.,
February 8, 1954.

GENERAL DYNAMICS CORPORATION AND SUBSIDIARY
CONSOLIDATED BALANCE SHEET

December 31, 1953

ASSETS

Current Assets:

Cash		\$13,164,206
United States Government securities, at cost		1,500,000
Accounts receivable—		
United States and Canadian Governments	\$11,890,084	
Other trade accounts (less reserve of \$90,000)	1,690,074	13,580,158
Inventories (Note 3)—		
Expenditures and estimated profits on ship and aircraft contracts in process, less billings	\$13,631,704	
Other work in process, less billings, and materials and supplies at lower of cost or market	6,635,144	20,266,848
Total Current Assets		<u>\$48,511,212</u>

Investment in Consolidated Vultee Aircraft Corporation, at cost (Note 4)		9,524,998
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Deferred Charges:

Prepaid insurance	\$ 612,263	
Other prepaid expenses and deferred charges	626,265	1,238,528

Fixed Assets (Note 5):

Land	\$ 880,386	
Buildings	7,203,213	
Machinery and equipment	5,922,319	
Docks, slips, shipways, etc.	319,124	
Other equipment	1,425,050	
	<u>\$15,750,092</u>	
Less—Reserves for depreciation and amortization	8,640,005	7,110,087

\$66,384,825

(The accompanying notes are an integral part of the above statement.)

GENERAL DYNAMICS CORPORATION AND SUBSIDIARY
CONSOLIDATED BALANCE SHEET

December 31, 1953

LIABILITIES

Current Liabilities:

Accounts payable	\$12,471,039
Accrued salaries and wages	2,533,700
United States and Canadian income taxes	5,017,779
Other accrued taxes	296,414
Dividends payable	709,589
Notes payable, due November 15, 1954	870,000
Mortgage installment due October 1, 1954	170,943
Contract advances, less related contract costs	2,005,610
Total Current Liabilities	<u>\$24,075,074</u>

Notes Payable to Banks, 4% (Note 6), less installment shown above	7,830,000
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Mortgage Payable, 3% (Note 5):

Payable by Canadair Limited, subsidiary company, less installment shown above	2,900,880
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Minority Interest in Subsidiary Company:

Capital stock	\$ 30,950	
Earned surplus	363,494	394,444

Capital Stock and Surplus:

Capital stock (Note 7):		
Preferred stock, \$2 cumulative no par convertible, stated value \$50 per share—		
Authorized—168,305 shares		
Issued and outstanding—157,481 shares	\$ 7,874,050	
Common stock, par value \$3 per share—		
Authorized—2,500,000 shares		
Issued and outstanding—841,131 shares	2,523,393	
	<u>\$10,397,443</u>	
Capital surplus (see accompanying statement)	2,609,391	
Earned surplus (see accompanying statement) (Notes 2 and 6)	18,177,593	31,184,427
		<u><u>\$66,384,825</u></u>

(The accompanying notes are an integral part of the above statement.)

GENERAL DYNAMICS CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF INCOME
For the Three Years Ended December 31, 1953

	Year Ended December 31,		
	1951	1952	1953
Net Sales	\$82,638,055	\$134,551,610	\$206,644,279
Cost of Sales (Selling, general and administrative expenses incurred amounted to \$3,502,000, \$4,716,000 and \$6,552,000 in the respective years) (Note 10)	74,942,434	124,149,679	193,845,987
Profit from operations (Note 2)	<u>\$ 7,695,621</u>	<u>\$ 10,401,931</u>	<u>\$ 12,798,292</u>
Other Income (Deductions):			
Minority interest in earnings of consolidated subsidiary	\$ (86,034)	\$ (109,136)	\$ (141,321)
Dividend income	—	—	360,000
Miscellaneous—net (Includes provision for doubtful accounts—1951—\$30,000, 1952—\$5,000, 1953—\$76,333)	112,616	274,381	(323,168)
	<u>\$ 26,582</u>	<u>\$ 165,245</u>	<u>\$ (104,489)</u>
Profit before provision for United States and Canadian income taxes	\$ 7,722,203	\$ 10,567,176	\$ 12,693,803
Provision for United States and Canadian Income Taxes (Including excess profits tax of \$240,000 in 1953) . .	3,850,000	5,650,000	6,475,000
Net income for the year	<u><u>\$ 3,872,203</u></u>	<u><u>\$ 4,917,176</u></u>	<u><u>\$ 6,218,803</u></u>

(The accompanying notes are an integral part of the above statement.)

GENERAL DYNAMICS CORPORATION AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF SURPLUS

For the Three Years Ended December 31, 1953

	Year Ended December 31,		
	1951	1952	1953
Capital Surplus:			
Balance, beginning of year	\$ —	\$ 896,881	\$ 1,202,520
Excess of fair value over par value of 23,000 shares of common stock issued in connection with purchase of stock of Consolidated Vultee Aircraft Corporation	—	—	782,000
Excess of stated value of shares of converted preferred stock over the par value of common shares issued therefor (Note 7)—386 shares in 1952, and 10,459 shares in 1953	—	17,053	489,340
Proceeds in excess of par value of shares of common stock issued under restricted stock option plan (Note 7)—18,288 shares in 1952, and 6,944 shares in 1953	—	288,586	135,531
Excess of net proceeds over cost of 50,000 shares of treasury common stock sold in Canada	341,156	—	—
Excess of fair value over cost of 35,825 shares of treasury common stock issued as a 5% common stock dividend	555,725	—	—
Balance, end of year	<u>\$ 896,881</u>	<u>\$ 1,202,520</u>	<u>\$ 2,609,391</u>
Earned Surplus:			
Balance, beginning of year	\$ 9,338,930	\$ 11,950,693	\$ 14,755,359
Add—			
Net income for the year	\$ 3,872,203	\$ 4,917,176	\$ 6,218,803
Restatement at cost of 85,825 shares of treasury common stock reissued during 1951	594,899	—	—
	<u>\$ 4,467,102</u>	<u>\$ 4,917,176</u>	<u>\$ 6,218,803</u>
Deduct—			
Dividends—			
Preferred stock—\$2.00 per share in each year	\$ 336,617	\$ 336,430	\$ 319,403
Common stock—cash, \$1.00 per share in 1951, \$2.25 in 1952, and \$3.00 in 1953	695,360	1,776,080	2,477,166
Common stock—stock, 5% common stock dividend	823,362	—	—
	<u>\$ 1,855,339</u>	<u>\$ 2,112,510</u>	<u>\$ 2,796,569</u>
Balance, end of year (Notes 2 and 6)	<u>\$11,950,693</u>	<u>\$14,755,359</u>	<u>\$18,177,593</u>

(The accompanying notes are an integral part of the above statements.)

GENERAL DYNAMICS CORPORATION AND SUBSIDIARY

NOTES TO FINANCIAL STATEMENTS

Note 1:

In 1952, Electric Boat Company (a New Jersey corporation) merged with and into General Dynamics Corporation (a Delaware corporation), a wholly-owned subsidiary of Electric Boat Company prior to the merger.

The accounts of the Corporation's Canadian subsidiary, 97% owned, are consolidated herein. Intercompany investment and capital stock, and all intercompany transactions are eliminated in consolidation. The accounts of three inactive subsidiaries have not been included in consolidation.

The assets, liabilities and operations of the Corporation's Canadian subsidiary have been expressed in terms of United States dollars at par, except that fixed assets and related reserves for depreciation are stated at historical amounts.

The Corporation's equity in the net assets of its Canadian subsidiary at December 31, 1953, as shown by the accounts of the latter (expressed in terms of United States dollars), was \$12,219,257 in excess of the Corporation's investment in such subsidiary, which amount is included in consolidation in earned surplus. The undistributed earnings of the Canadian subsidiary may be subject to Canadian withholding tax if and when transferred in the form of dividends to the parent corporation.

Note 2:

The companies record profits on long-term contracts prior to completion thereof where, in the opinion of their managements, such profits can be reasonably estimated, after taking into consideration stage of completion and estimated final costs and prices.

Note 3:

Inventories at the beginning and end of each of the years ended December 31, 1951, 1952 and 1953 were as follows:

		December 31,			
	1950	1951	1952	1953	
Expenditures and estimated profits on ship and aircraft contracts in process, less billings	\$2,505,416	\$10,290,387	\$14,066,961	\$13,631,704	
Other work in process, less billings, and materials and supplies at lower of cost (generally average) or market	4,405,280	6,344,864	8,121,358	6,635,144	
	<u>\$6,910,696</u>	<u>\$16,635,251</u>	<u>\$22,188,319</u>	<u>\$20,266,848</u>	

Note 4:

The Corporation's investment in Consolidated Vultee Aircraft Corporation, acquired in May 1953, consists of 400,000 shares of common stock, representing 16.8% of the outstanding stock of that company.

Note 5:

Fixed assets acquired after January 1, 1932, are stated at cost; those acquired prior thereto are stated at less than cost, at values set by the Board of Directors.

Land, buildings, and certain of the equipment owned by the Canadian subsidiary, with a cost to the subsidiary of \$6,233,085, are subject to lien under a first mortgage in the amount of \$3,071,823 Canadian funds, held by Crown Assets Disposal Corporation (an agency of the Canadian Government), payable in eighteen equal annual installments with interest of 3%.

Maintenance and repair expenditures are charged directly to costs. When a property unit is replaced or a betterment made, the cost of the replaced property is removed from the property accounts and the cost of the replacing property is capitalized. Upon retirement of property units, the undepreciated net balance of such property and the proceeds of sale, if any, are taken into income.

GENERAL DYNAMICS CORPORATION AND SUBSIDIARY

NOTES TO FINANCIAL STATEMENTS—Continued

Property and equipment of the Corporation are being depreciated on a straight line method, at rates based on management's estimates of the useful lives of the various property classes. The property and equipment of the Canadian subsidiary are being depreciated on a declining balance method at rates allowed by the Canadian Income Tax Act. The principal rates of depreciation are:

	Corporation	Subsidiary
Buildings—brick	3%	5%
frame	5%	10%
Machinery and equipment	6 $\frac{2}{3}$ %—10%	20%
Furniture	10%	20%
Automobiles and trucks	20%	30%

Accelerated depreciation and amortization of emergency facilities are being provided by the Corporation and its subsidiary, at rates and to the extent permitted by the respective taxing authorities.

Note 6:

Notes payable at December 31, 1953, of \$8,700,000 consist of borrowing under a credit agreement with certain banks, and are payable in eight semiannual installments beginning November 15, 1954; installment payments range from 10% to 17% of the principal amount. Prepayment of such notes is required to the extent of the net proceeds in the event of sale of any of the shares of Consolidated Vultee Aircraft Corporation stock held at December 31, 1953, or of sale to the public of any class of the Corporation's stock. The credit agreement also provides for additional loans of up to \$7,000,000 until March 31, 1955, on a revolving credit basis. The requirements of the credit agreement for working capital and net worth were exceeded at December 31, 1953, by the amounts of \$5,600,000 and \$8,600,000, respectively.

Note 7:

Of the common shares authorized but unissued, 176,720 shares are reserved for the conversion privilege of the 168,305 shares of authorized preferred stock (1.05 shares of common for 1 share of preferred), and 58,881 shares are reserved by the Board of Directors for the issuance of shares under the Corporation's Restricted Stock Option Plan.

Under the Corporation's Restricted Stock Option Plan, approved by share owners in 1951, options may be granted to officers and employees of the Corporation and its subsidiaries with respect to shares of common stock of the Corporation in an aggregate amount not to exceed 10% of such shares issued and outstanding at the time of the grant of an option. The plan provides that the price to be paid for the shares covered by each option shall be 95% of the fair market value thereof on the date such option is granted. The options granted are exercisable in whole or in part at any time during the option period which is not to exceed seven years. Options granted under the plan aggregated 58,275 shares in 1951, 17,775 shares in 1952, and 4,500 shares in 1953. At December 31, 1953, options were outstanding with respect to 55,318 shares of common stock exercisable at prices varying from \$18.61 to \$34.14 per share and aggregating \$1,222,475. During 1953, options for 6,944 shares of common stock were exercised at prices varying from \$18.61 to \$28.98 per share (95% of the fair market value thereof on the dates such options were granted) and aggregating \$156,363. With respect to options exercised in 1953, the fair market value at the dates of exercise varied from \$34.00 to \$44.50 per share and aggregated \$284,049. The Corporation follows the procedure of recording proceeds in excess of the par value of shares of common stock issued under the Restricted Stock Option Plan as capital surplus and no charges have been reflected in income with respect to options granted or exercised.

GENERAL DYNAMICS CORPORATION AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS—Continued

Under a stock purchase plan of the Canadian subsidiary, 15,300 shares of the authorized but unissued common stock of the subsidiary are reserved for sale to directors, officers and employees of the subsidiary at prices not less than 75% of the book value of such shares at the year end preceding such sale. The Corporation has first right to purchase all shares issued under the stock purchase plan at prices defined, and under circumstances set forth, in the plan.

Note 8:

As authorized by the share owners, the retirement plan for salaried employees of the Corporation in effect to December 31, 1952, was superseded on January 1, 1953, by a plan with increased benefits for such employees. The Canadian subsidiary has a similar plan for its salaried employees and effective January 1, 1954 this plan will include hourly paid employees. The unfunded cost of past service benefits, to be amortized over a period of years, is estimated as \$2,150,000 at December 31, 1953, after a payment of \$261,000 in 1953. The employees do not contribute toward the cost of past service benefits under such plans. The current service cost of benefits under the retirement plans was \$435,000 for 1953 on a consolidated basis. It is estimated that the consolidated cost of current service benefits for 1954 will be \$619,000. The benefits for employees are similar under both plans, generally providing for annual retirement benefits for salaried employees in an amount equivalent to 1 $\frac{3}{4}$ % of average compensation during employment, multiplied by years of credited service, less, in the case of the Corporation's plan any primary social security and old age benefits to which they may be entitled.

The Corporation's plan provides that members contribute annually 2 $\frac{1}{2}$ % of the first \$3,600 of annual compensation and 5% of compensation over \$3,600. The plan of the Canadian subsidiary provides that members contribute 5% of annual compensation. After 10 years of credited service under the plans the employees gain a vested interest on a scale percentage basis, depending on length of service, in the amounts contributed by the companies for the employees' benefits.

Subject to approval of the share owners at the forthcoming special meeting, certain hourly paid employees of the Corporation will be covered by pension plans effective January 1, 1954. The related cost of past service benefits of such plans is estimated at \$344,000.

The plans may be terminated for any reason at any time by action of the boards of directors of the companies.

Note 9:

The Corporation believes that neither it nor its Canadian subsidiary will be liable for refunds to their respective governments under the provisions of their respective renegotiation acts and consequently no provision has been made therefor.

An agreement between the Canadian subsidiary and the Canadian Government provides that profits, above specified minimums, from all operations of the Company are shared between the two parties in the ratio of respective investments in the Canadian enterprise as defined in the agreement. At the end of 1953, the Canadian Government investment provided through capital assistance was, under the terms of the agreement, 53% of the total investment. Provision for profit-sharing under the terms of this agreement has been made in the accompanying financial statements.

GENERAL DYNAMICS CORPORATION AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS—Continued

Note 10:

Supplementary profit and loss information is as follows:

	<u>1951</u>	<u>1952</u>	<u>1953</u>
Charged directly to cost of sales—			
Maintenance and repairs	\$2,149,427	\$2,379,791	\$3,860,822
Depreciation of fixed assets	994,051	926,952	1,116,745
Taxes other than income taxes:			
Real and personal property	228,079	195,328	231,501
Social security	787,455	1,048,051	1,144,571
State franchise and income taxes, etc.	79,413	141,873	242,834
Rents	98,921	162,533	412,622
Royalties	214,480	357,768	216,067
Charged to other income deductions—			
Maintenance and repairs	55,407	32,537	43,991
Depreciation of fixed assets	1,625	1,626	1,626
Taxes other than income taxes:			
Real and personal property	69,510	59,489	59,867
State franchise and income taxes, etc.	14,844	17,898	—

The Canadian subsidiary also paid certain amounts under license agreements relating to its contracts with the Canadian Government.

Under the expense account classification used by the companies, substantially all indirect costs and expenses are considered as overhead and are distributed as a part of the costs applicable to work in process. The Companies consider that, because of the nature of the business conducted, their selling expenses are nominal in amount in relation to their total operating expenses, and that their administrative expenses are principally of a productive supervisory nature attributable to work in process. Accordingly, by proration of overhead expenses such charges are allocated to work in process and are classified in the income account as cost of goods sold.

The Corporation is obligated under certain long-term leases (without cancellation clauses) with expiration dates extending beyond three years from December 31, 1953. Commitments under such leases require annual rental payments of approximately \$93,000 through 1957 and \$32,000 thereafter until 1962.

EXHIBIT E

**GENERAL DYNAMICS CORPORATION AND SUBSIDIARY
PRO FORMA CONSOLIDATED BALANCE SHEET**

Combining the Consolidated Balance Sheet of General Dynamics Corporation
and Subsidiary at December 31, 1953, and the Balance Sheet of
Consolidated Vultee Aircraft Corporation at
November 30, 1953 (see notes below).

	General Dynamics Corporation and Subsidiary December 31, 1953	Consolidated Vultee Aircraft Corporation November 30, 1953	Pro Forma Adjustments	Pro Forma
Current Assets:				
Cash	\$13,164,206	\$ 33,939,096	\$ —	\$ 47,103,302
United States Government securities, at cost . .	1,500,000	—	—	1,500,000
Accounts receivable—				
United States and Canadian Governments . .	11,890,084	3,509,925	—	15,400,009
Other trade accounts	1,690,074	3,218,882	—	4,908,956
Expenditures and estimated profits on aircraft and ship contracts in process, less billings . .	13,631,704	33,807,171	—	47,438,875
Inventories—contract work in process, less bill- ings, and materials and supplies at lower of cost or market	6,635,144	54,152,040	—	60,787,184
Advances to vendors and subcontractors	—	1,638,902	—	1,638,902
Total current assets	\$48,511,212	\$130,266,016	\$ —	\$178,777,228
Prepaid Expenses and Deferred Charges	\$ 1,238,528	\$ 1,282,378	\$ —	\$ 2,520,906
Investments and Other Assets:				
Consolidated Vultee Aircraft Corporation . . .	\$ 9,524,998	\$ —	\$ (9,524,998)	\$ —
Claim for Federal income tax refund	—	2,919,758	—	2,919,758
Notes receivable—Airfleet, Inc.—due 1960 . . .	—	2,037,240	—	2,037,240
Other	—	1,038,059	—	1,038,059
	\$ 9,524,998	\$ 5,995,057	\$ (9,524,998)	\$ 5,995,057
Land, Buildings and Equipment	\$15,750,092	\$ 26,285,221	\$ —	\$ 42,035,313
Less—Reserves for depreciation and amortization	8,640,005	16,349,012	—	24,989,017
	\$ 7,110,087	\$ 9,936,209	\$ —	\$ 17,046,296
	<u>\$66,384,825</u>	<u>\$147,479,660</u>	<u>\$ (9,524,998)</u>	<u>\$204,339,487</u>

NOTES:

(1) The above Pro Forma Consolidated Balance Sheet reflects (a) the proposed merger of Consolidated Vultee Aircraft Corporation into General Dynamics Corporation, and (b) the merging of the non-current notes payable of General Dynamics Corporation with other current indebtedness to banks. The proposed Merger Agreement provides that the authorized common shares of General Dynamics Corporation will be increased to 6,000,000 shares, and the outstanding shares of Consolidated Vultee Aircraft Corporation, exclusive of shares owned by General Dynamics Corporation which are to be retired, will be exchanged on a basis of one share of Consolidated Vultee Aircraft Corporation for four-sevenths of one share of common stock of General Dynamics Corporation.

(2) Reference is also made to the notes to financial statements of the respective companies shown in Exhibits C and D.

	General Dynamics Corporation and Subsidiary December 31, 1953	Consolidated Vultee Aircraft Corporation November 30, 1953	Pro Forma Adjustments	Pro Forma
Current Liabilities:				
Notes payable to banks	\$ 870,000	\$ 45,000,000	\$ 7,830,000	\$ 53,700,000
Accounts and wages payable	15,175,682	32,775,674	—	47,951,356
Customers' deposits and advances on contracts, less related costs	2,005,610	7,000,641	—	9,006,251
United States and Canadian income taxes . . .	5,017,779	9,672,890	—	14,690,669
Other accrued taxes	296,414	610,147	—	906,561
Dividends payable	709,589	—	—	709,589
Total current liabilities	\$24,075,074	\$ 95,059,352	\$ 7,830,000	\$126,964,426
Notes Payable to Banks, 4%, Less Installment Shown Above	\$ 7,830,000	\$ —	\$ (7,830,000)	\$ —
Mortgage Payable, 3%, Less Current Install- ment of \$170,943 Included in Current Lia- bilities	\$ 2,900,880	\$ —	\$ —	\$ 2,900,880
Minority Interest in Subsidiary Company . .	\$ 394,444	\$ —	\$ —	\$ 394,444
Capital Stock and Surplus:				
Preferred stock \$2 cumulative no par convert- ible, stated value \$50 per share—				
Authorized—168,305 shares				
Issued and outstanding—157,481 shares . .	\$ 7,874,050	\$ —	\$ —	\$ 7,874,050
Common stock—				
Consolidated Vultee Aircraft Corporation				
Issued and Outstanding—2,379,298 shares, par value \$1 per share	—	2,379,298	(2,379,298)	—
Partly paid under stock purchase plan, 300 shares	—	540	(540)	—
General Dynamics Corporation				
Authorized—2,500,000 shares, par value \$3 per share				
Issued and outstanding—841,131 shares . .	2,523,393	—	(2,523,393)	—
Pro Forma—				
Authorized—6,000,000 shares, par value \$3 per share				
Issued and outstanding—1,972,158 shares . .	—	—	5,916,474	5,916,474
Partly paid under stock purchase plan, 171 shares	—	—	540	540
	\$10,397,443	\$ 2,379,838	\$ 1,013,783	\$ 13,791,064
Capital surplus	2,609,391	19,753,272	(10,538,781)	11,823,882
Earned surplus	18,177,593	30,287,198	—	48,464,791
Total capital stock and surplus	\$31,184,427	\$ 52,420,308	\$ (9,524,998)	\$ 74,079,737
	\$66,384,825	\$147,479,660	\$ (9,524,998)	\$204,339,487

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EXHIBIT F
CONSOLIDATED VULTEE AIRCRAFT CORPORATION
INCENTIVE COMPENSATION PLAN

SECTION I — Purpose

The purpose of this Plan is to provide a means to furnish those employees who contribute conspicuously by their ability, ingenuity and industry to the management and to the operations of the Corporation with an additional incentive to protect and advance the interests of the Corporation. To that end this Plan will afford an opportunity for employees to participate in the results of the operations arising from their efforts on behalf of, and contributions to the success of the Corporation.

SECTION II — Definitions

In this Plan the following words and expressions shall have the meanings hereinafter assigned to them:

- (a) "Plan" means this Incentive Compensation Plan.
- (b) "Corporation" means Consolidated Vultee Aircraft Corporation. In the event the Corporation acquires subsidiaries (corporations in which the Corporation has in excess of 50% of the voting power), the term "Corporation" shall include such subsidiaries as the Board of Directors by resolution duly adopted shall determine.
- (c) "Board of Directors" or "Board" means the Board of Directors of the Corporation.
- (d) "Committee" means the Incentive Compensation Plan Committee hereinafter provided for.
- (e) "Independent auditors" means with respect to any year the independent auditors who have been authorized by the Board of Directors to audit the books of the Corporation.
- (f) "Employees" means officers and employees regularly employed by the Corporation at any time during the year.
- (g) "Capital Employed" means with respect to any year the sum of the following, as shown by the books of the Corporation, all as certified to by the independent auditors of the Corporation:
 - (1) The weighted average during the year of the par value of the issued and outstanding shares of Common Stock of the Corporation, whether or not fully paid, excluding shares of Common Stock held in the Corporation's treasury;
 - (2) The weighted average during the year of Capital or paid-in surplus, if any;
 - (3) Earned surplus including surplus reserves at the beginning of the year;
 - (4) The weighted average during the year of long-term debt, if any, representing unpaid amount of indebtedness of the Corporation having maturity at the time of its creation of more than one year.
- (h) "Gross Profit" means with respect to any year the profit before provision for Federal income and excess profits taxes shown on the statement of income of the Corporation certified to by the independent auditors of the Corporation (1) with such adjustment for any unusual or non-recurring items of income or loss not arising in the ordinary course of business of the Corporation as the Committee in its sole and uncontrolled discretion may determine, (2) without deduction of the Incentive Compensation for the year, and (3) with the addition thereto of interest actually accrued during the year on the long-term debt included in Capital Employed.

(i) "Weighted average" means with respect to any year the sum of the balance sheet item in question at the end of each calendar month during such year as shown by the books of the Corporation, divided by twelve.

(j) "Year" means the fiscal year of the Corporation.

SECTION III — *Committee*

The Board of Directors shall appoint a committee of not less than three (3) Directors, none of whom shall be officers or employees of the Corporation or eligible to participate in the Plan, and who, together with the Chairman of the Board of Directors of the Corporation as a member ex officio, shall be known as the Incentive Compensation Plan Committee. The Committee shall have full power and authority to interpret and administer the Plan. The members of the Committee shall serve at the pleasure of the Board which shall have the power at any time or from time to time to remove members from the Committee or to add members thereto. Vacancies in the Committee however caused shall be filled by action of the Board. The Committee shall select one of its members as its Chairman and shall hold its meetings at such times and places as it may determine. A majority of its members shall constitute a quorum. All decisions or determinations of the Committee shall be made by a majority of such of its members as shall be present at a meeting duly called and held at which a quorum shall be present; provided, however, that any decision or determination reduced to writing and signed by a majority of the members of the Committee shall be as fully effective as if it had been made as aforesaid at a meeting duly called and held. The Committee may appoint a Secretary, shall keep minutes of its meetings and may make such rules and regulations for the conduct of its business, not inconsistent herewith, as it may deem advisable.

SECTION IV — *Participants*

The persons eligible to participate under the Plan shall be those employees of the Corporation which are mainly responsible in an executive, administrative, professional, technical or advisory capacity for the management of the operations of the Corporation, including the heads of the various departments, divisions and other operating units and their principal assistants and advisers in directing operations. Directors as such shall not participate under the Plan, but the fact that an employee is also a Director shall not prevent his participation. As used in this paragraph, "employee" in the Committee's discretion may include a person who was an employee at any time during the year or an employee deceased during the year; in case of a deceased employee, the incentive compensation, if any, determined for him for the year by the Committee shall be paid to his spouse, children, parents or legal representatives as may be directed by the Committee.

SECTION V — *Determination of Participants*

The Committee in its uncontrolled discretion shall determine each year the participants and the amount of participation of each of the participants. In choosing participants and in determining the amount of incentive compensation of each participant, the Committee shall consider the positions and responsibilities of the various participants, the accomplishments of each during the year, the value to the corporation and its subsidiaries of their services and such other factors as the Committee deems pertinent.

SECTION VI — *Formula for Computing Incentive Compensation*

The Aggregate Incentive Compensation shall consist of an amount for each year determined as follows:

1. There shall be deducted from Gross Profit an amount which after payment of Federal income and excess profits taxes thereon (at the rates in effect at the time as to the entire income and profits of the Corporation as shown conclusively by the books of the Corporation for such year) would equal the sum of 6% of the Capital Employed.
2. The balance remaining shall be the Surplus Gross Profit for the year for the purposes of this Plan; 5% of said Surplus Gross Profit shall constitute the maximum Aggregate Incentive Compensation.
3. The Aggregate Incentive Compensation which shall be credited to the Incentive Compensation Account for the year shall be either the maximum Aggregate Incentive Compensation or such lesser amount

thereof as the Committee in its sole discretion shall determine after consideration of the unawarded balance in the Incentive Compensation Account carried forward from prior years, the participations to be awarded for the year in question and such other matters as may be relevant.

SECTION VII — *Incentive Compensation Account*

There shall be established on the books of the Corporation as a liability an Incentive Compensation Account, to which there shall be credited annually the Aggregate Incentive Compensation determined as hereinabove provided in Section VI. The maximum Aggregate Incentive Compensation shall be audited and certified by the independent auditors of the Corporation and said auditors shall report the amount thereof to the Board of Directors and the Committee upon the completion of the audit of the books of the Corporation by said auditors for the year. The Committee shall thereupon make its determination of the amount of Aggregate Incentive Compensation to be credited to the Incentive Compensation Account for the year as hereinabove provided in Section VI, and shall report the amount thereof to the Board of Directors. The amount so credited to the Incentive Compensation Account, plus any unawarded balance in the Incentive Compensation Account carried forward from prior years, shall be available to the Committee for use as incentive compensation for such year under the Plan.

SECTION VIII — *Award of Incentive Compensation to Participants*

1. The Committee shall not be required to award to the participants as incentive compensation for any year the total amount credited to the Incentive Compensation Account for that year or the unawarded balance carried forward from prior years. No part of the Incentive Compensation Account shall at any time be restored to the general funds of the Corporation but such Account shall at all times be a liability of the Corporation under this Plan even though the amount thereof shall not have been awarded.

2. The Committee for each year shall promptly after making its determination of the amount of the Aggregate Incentive Compensation to be credited to the Incentive Compensation Account for the year, determine the amount to be awarded to participants as incentive compensation for such year, the participants in the amount to be awarded, the extent of the participation of each and whether or not the same shall be paid in a lump sum or in not more than five annual installments of equal or varying fractional parts thereof; provided, however, that the obligation to pay future installments to the participants; respectively, shall vest in the participants, respectively, and shall constitute a liability of the Corporation. Where the incentive compensation of any participant for any year is made payable in annual installments as aforesaid, the first installment shall be paid promptly and the remaining installments shall be paid at the rate of one installment per year at a date in each year fixed by the Committee until all installments shall have been paid. If a participant leaves the employ of the Corporation or dies before the payment of any installment or installments of his incentive compensation for any year has been paid, such future installment or installments shall be paid to him or his estate, as the case may be, in which case the Committee shall have the right to cause the Corporation to accelerate the payment of any one or more installments.

SECTION IX — *Interpretation and Administration*

All determinations, decisions and directions made or given by the Board of Directors or the Committee under the Plan shall be final and conclusive. The decision of the Board of Directors or the Committee on any questions concerning or involving the interpretation and administration of the Plan shall be final and conclusive, and nothing in this Plan shall be deemed to give any officer or employee, his legal representatives or assigns, any right to participate in the Incentive Compensation Account except to such extent, if any, as the Committee may have determined or approved pursuant to the provisions of this Plan. The Board in passing on the matters which it is required to approve, as provided in this Plan, may, in its discretion, rely upon the recommendations made by the Committee with respect thereto.

SECTION X — *Amendment or Discontinuance*

(a) The Board of Directors may from time to time amend, modify, change, suspend or terminate, in whole or in part and, if terminated, may reinstate, any or all of the provisions of the Plan, except that:

(1) No amendment, modification, change, suspension or termination may, without his consent, affect the payment to any participant of any participation awarded to him prior to the effective date of such amendment, modification, change, suspension or termination;

(2) No amendment, modification or change may withdraw the obligation and right of interpretation and administration of the Plan from a Committee of the Board of Directors, no member of which (except the ex officio member) is eligible to participate under the Plan, without the prior approval of the stockholders of the Corporation; and

(3) No amendment, modification or change may be made which will increase the amount which may be appropriated to the Incentive Compensation Account as hereinabove provided without the prior approval of the stockholders of the Corporation.

The fact that a Director is, has been or will be a participant in the Plan shall not disqualify him from voting as a Director for or against an amendment, modification, change, suspension or termination of the Plan or any part thereof. Any such amendment, modification, change, suspension or termination of the Plan shall be reported to the stockholders by the Board of Directors at the next Annual Meeting of Stockholders.

(b) The stockholders entitled to vote, by vote of a majority of the shares outstanding, at any Annual Meeting or any Special Meeting called for that purpose, may from time to time amend, modify, change, suspend or terminate in whole or in part and, if terminated, may reinstate, any or all of the provisions of the Plan except that no amendment, modification, change, suspension or termination may, without his consent, affect the payment to any participant of any participation awarded to him prior to the effective date of such amendment, modification, change, suspension or termination.

SECTION XI — *General*

(a) No participant shall have any right with respect to any award or allotment under the Plan until such award or allotment shall have been paid to him or written notice thereof delivered to him.

(b) The place of administration of the Plan shall be conclusively deemed to be within the State of Delaware and the validity, construction, interpretation, administration and effect of the Plan and of its rules and regulations and the rights of any and all persons having or claiming to have an interest therein or thereunder shall be governed by and determined exclusively and solely in accordance with the laws of the State of Delaware.

(c) The selection of any employee for participation in the Plan shall not give such participant any right to be retained in the employ of the Corporation, and the right and power of the Corporation to dismiss or discharge any participant is specifically reserved. No participant or any person claiming under or through him shall have any right or interest, whether vested or otherwise, in this Plan or in the Incentive Compensation Account or in any award or allotment hereunder unless and until all of the terms, conditions and provisions of the Plan that affect such participant have been complied with as specified herein.

(d) No member of the Board of Directors or the Committee shall be liable for any act, whether of commission or omission, taken by any other member or by an officer, agent or employee of the Corporation nor, except in circumstances involving his own bad faith, for anything done or omitted to be done by himself.

SECTION XII — *Effective Date*

The Plan shall be effective commencing with December 1, 1952, subject however, to the approval of the stockholders of the Corporation during the year 1954.

EXHIBIT G

(Delaware Code of 1953, Title 8)

§262. Payment for stock or membership of person objecting to consolidation or merger

(a) When used in this section, the word "stockholder" means and includes a holder of stock in a stock corporation and also a member of a non-stock corporation; the words "stock" and "share" mean and include what is ordinarily meant by those words and also the membership or membership interest of a member of a non-stock corporation.

(b) The corporation resulting from or surviving any consolidation or merger shall within 10 days after the date on which the agreement of consolidation has been filed and recorded, notify each stockholder in any corporation of this State consolidating or merging, who objected thereto in writing and whose shares were not voted in favor of such consolidation or merger, and who filed such written objection with the corporation before the taking of the vote on such consolidation or merger, that the agreement has been filed and recorded. The notice shall be sent by registered mail, return receipt requested, addressed to the stockholder at his last known address as it appears on the books of the corporation. If any such stockholder shall within 20 days after the date of mailing of the notice demand in writing from the corporation resulting from or surviving such consolidation or merger, payment for his stock, such resulting or surviving corporation shall, within 30 days after the expiration of the period of 20 days, pay to him the value of his stock on the date of the recording of the agreement of consolidation or merger, exclusive of any element of value arising from the expectation or accomplishment of such consolidation or merger.

(c) If during the period of 30 days provided for in subsection (b) of this section, the corporation and any such objecting stockholder fail to agree as to the value of such stock, any such stockholder, or the corporation resulting from or surviving such consolidation or merger, may by petition filed in the Court of Chancery within four months after the expiration of the period of 30 days demand a determination of the value of the stock of all such objecting stockholders by an appraiser to be appointed by the Court.

(d) Upon the filing of any such petition by a stockholder, service of a copy thereof shall be made upon the corporation, which shall within ten days after such service file in the office of the Register of Chancery in which the petition was filed a duly verified list containing the names and addresses of all stockholders who have demanded payment for their shares and with whom agreements as to the value of their shares have not been reached by the corporation. If the petition shall be filed by the corporation, the petition shall be accompanied by such a duly verified list. The Register in Chancery shall give notice of the time and place fixed for the hearing of such petition by registered mail to the corporation and to the stockholders shown upon the list at the addresses therein stated, and notice shall also be given by publishing a notice at least once a week for two successive weeks, the second publication to appear at least one week before the day of the hearing, in a newspaper of general circulation published in the City of Wilmington, Delaware. The Court may direct such additional publications of notice as it deems advisable. The forms of the notices by mail and by publication shall be approved by the Court.

(e) After the hearing of such petition the Court shall determine the stockholders who have complied with the provisions of this section and become entitled to the valuation of and payment for their shares, and shall appoint an appraiser to determine such value. Such appraiser may examine any of the books and records of the corporation or corporations the stock of which he is charged with the duty of valuing, and he shall make a determination of the value of the shares upon such investigation as to him seems proper. The appraiser shall also afford a reasonable opportunity to the parties interested to submit to him pertinent evidence on the value of the shares. The appraiser, also, shall have such powers and authority as may be conferred upon masters by the rules of the Court of Chancery or by the order of his appointment.

(f) The appraiser shall determine the value of the stock of the stockholders adjudged by the Court of Chancery to be entitled to payment therefor and shall file his report respecting such value in the office of the Register in Chancery and notice of the filing of such report shall be given by the Register in Chancery to the parties in interest. Such report shall be subject to exceptions to be heard before the Court both upon the law and facts. The Court shall by its decree determine the value of the stock of the stockholders entitled to payment therefor and shall direct the payment of such value, together with interest, if any, as hereinafter provided, to the stock-

holders entitled thereto by the resulting or surviving corporation upon the transfer to it of the certificates representing such stock, which decree may be enforced as other decrees in the Court of Chancery may be enforced, whether such resulting or surviving corporation be a corporation of this State or of any other state.

(g) At the time of appointing the appraiser or at any time thereafter the Court may require the dissenting stockholders to submit their certificates of stock to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings, and if any stockholder fails to comply with such direction the Court may dismiss the proceedings as to such stockholder.

(h) The cost of any such appraisal, including a reasonable fee to and the reasonable expenses of the appraiser, but exclusive of fees of counsel or of experts retained by any party, may on application of any party in interest be determined by the Court and taxed upon the parties to such appraisal or any of them as appears to be equitable, except that the cost of giving the notice by publication and by registered mail hereinabove provided for shall be paid by the corporation. The Court may, on application of any party in interest, determine the amount of interest, if any, to be paid upon the value of the stock of the stockholders, entitled thereto.

(i) Any stockholder who has demanded payment of his stock as herein provided shall not thereafter be entitled to vote such stock for any purpose or be entitled to the payment of dividends or other distribution on the stock (except dividends or other distributions payable to stockholders of record at a date which is prior to the date of the recording of the agreement) unless the appointment of an appraiser shall not be applied for within the time herein provided, or the proceeding be dismissed as to such stockholder, or unless such stockholder shall with the written approval of the corporation deliver to the corporation a written withdrawal of his objections to and an acceptance of such consolidation or merger, in any of which cases the right of such stockholder to payment of his stock shall cease.

(j) The shares of the surviving or resulting corporation into which the shares of such dissenting stockholders would have been converted had they assented to the consolidation or merger shall have the status of authorized and unissued shares of the surviving or resulting corporation.

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PROXY
Special Meeting of Share Owners, April 29, 1954

A I R C R A F T C O R P O R A T I O N

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CONSOLIDATED VULTEE A I R C R A F T C O R P O R A T I O N



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Special Meeting of Share Owners, April 29, 1954

The undersigned hereby appoints LA MOTTE T. COHU, JOHN JAY HOPKINS, S. R. INCH, DONALD N. MCDONNELL and JOSEPH T. MCNARNEY, and each of them, attorneys and proxies, with power of substitution, to vote as hereinbelow set forth all stock of CONSOLIDATED VULTEE AIRCRAFT CORPORATION which the undersigned is entitled to vote, at the Special Meeting of Share Owners to be held at 129 South State Street, Dover, Delaware, on April 29, 1954, at 11:00 o'clock a.m. and at any adjournment thereof, hereby ratifying all action taken hereunder.

- | | | |
|---------|--------------------------|---|
| For | <input type="checkbox"/> | 1. Agreement of Merger of Consolidated Vultee Aircraft Corporation with and into General Dynamics Corporation, as set forth in the Proxy Statement hereinafter referred to. |
| Against | <input type="checkbox"/> | |
| For | <input type="checkbox"/> | 2. Incentive Compensation Plan for employees of Consolidated Vultee Aircraft Corporation, as set forth in the Proxy Statement. |
| Against | <input type="checkbox"/> | |
| | | 3. On the transaction of such other business as may properly come before the meeting. |

The undersigned instructs the above-named proxies, and each of them, to vote as directed above or, (over)



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3165 PACIFIC HIGHWAY, SAN DIEGO, CAL.

March 26, 1954

which will constitute an important advance in the program, specifically its merger into General Dynamics Corporation organization and operations.

Made some weeks before, Dynamics acquired from Atlas Aircraft of Convair, approximately 17% of its outstanding stock and its owner to name the Directors and therefore to Convair.

Since May 15, 1953 to observe and assess from close quarters, and it is the unanimous opinion of the Board of Directors that the structure and operational methods of Dynamics are superior to those of the two organizations is in the best interests of the shareholders. When effected, will afford to each—under the aegis of a wider activity than they enjoy currently as two separate holding companies, or an organization whose aims are broader than such as is Convair.

Means for defense is, and must continue to be, the first consideration would result in a single great enterprise—engineering, finance, manufacturing and marketing of military, electric motors, and atomic projects generally.

Atomic powered submarines, the "Nautilus" and the "USS Nautilus" led by atomic energy. Convair is currently engaged in the application of nuclear power to aircraft. The products of each corporation's—nucleodynamics—many of which are well known but not disclosed or discussed—complement each other to such a degree that by one corporate entity rather than two. A further advantage of Convair and Convair's share owners would be the diversified and improved earning capabilities of the General Dynamics

new manufacturing and engineering experience and the

if no direction is indicated, to vote "For" the proposals, except that said proxies, and each of them, are hereby authorized to refrain from voting such stock "for" Proposal No. 1, even if marked "for" if the Board of Directors, in its discretion, determines the consummation of the agreement of merger to be inadvisable.

Receipt of a Proxy Statement and Notice of Meeting dated March 26, 1954, and the Annual Report for 1953 (which has been mailed under separate cover), is hereby acknowledged.

WITNESS the hand and seal of the undersigned this day of April, 1954.

**THIS PROXY IS SOLICITED ON
BEHALF OF THE MANAGEMENT**

Signed.....(L. S.)
(Please sign exactly as name appears below. For joint accounts, all co-owners must sign.
Executors, administrators, trustees, etc. should so indicate when signing.)

**PLEASE SIGN THIS PROXY ABOVE AND
RETURN IT IN THE ENCLOSED
SELF-ADDRESSED ENVELOPE**

(over)



EE

O N

3165 PACIFIC HIGHWAY, SAN DIEGO, CAL.

March 26, 1954

which will constitute an important advance in the program, specifically its merger into General Dynamics Corporation organization and operations.

made some weeks before, Dynamics acquired from Atlas Aircraft Corporation, approximately 17% of its outstanding common stock and its owner to name the Directors and therefore to form a new corporation.

Since May 15, 1953 to observe and assess from close personal observation, and it is the unanimous opinion of the Board of Directors that the structure and operational methods of Dynamics and General Dynamics Corporation of the two organizations is in the best interests of the shareholders. The merger effected, will afford to each—under the aegis of a single organization wider activity than they enjoy currently as two separate holding companies, or an organization whose aims are broader than either organization such as is Convair.

means for defense is, and must continue to be, the first priority of the corporation would result in a single great enterprise—engineering, finance, manufacturing and marketing of military aircraft, electric motors, and atomic projects generally.

Atomic powered submarines, the "Nautilus" and the "USS Nautilus" led by atomic energy. Convair is currently engaged in the application of nuclear power to aircraft. The program, being developed independently by the separate organizations, is being developed by the separate organizations. The products of each corporation's program—nucleodynamics—many of which are well known but not yet disclosed or discussed—complement each other to such a degree that they can be handled by one corporate entity rather than two. A further merger of Convair and Convair's share owners would be the diversification of the company and the improved earning capabilities of the General Dynamics

BUSINESS REPLY ENVELOPE

FIRST CLASS PERMIT NO. 644, SEC. 34.9, P. L. & R., NEW YORK, NEW YORK

Secretary — CONSOLIDATED VULTEE AIRCRAFT CORPORATION

c/o The Chase National Bank

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CONSOLIDATED VULTEE

A I R C R A F T C O R P O R A T I O N

3165 PACIFIC HIGHWAY, SAN DIEGO, CAL.

March 26, 1954

To the Share Owners:

Your Proxy is requested to vote in favor of an action which will constitute an important advance in the progress of Consolidated Vultee Aircraft Corporation (Convair), specifically its merger into General Dynamics Corporation (Dynamics) as an integral component of the Dynamics organization and operations.

Acquisition by Dynamics of Interest in Convair:

On May 15, 1953, in accordance with an agreement made some weeks before, Dynamics acquired from Atlas Corporation a block of 400,000 shares of Common Stock of Convair, approximately 17% of its outstanding shares, which block seems for many years to have entitled its owner to name the Directors and therefore to determine the management and operations policies of Convair.

Advantages of Merger:

The management of Convair has had the opportunity since May 15, 1953 to observe and assess from close range the management and operations policies of Dynamics, and it is the unanimous opinion of the Board of Directors and Officers of Convair that the management structure and operational methods of Dynamics are entirely compatible with those of Convair and that a merger of the two organizations is in the best interests of the share owners of both corporations, and one which, when effected, will afford to each—under the aegis of Dynamics as the Merged Corporation—a greater scope and wider activity than they enjoy currently as two separate concerns. Dynamics is not an investment trust, a holding company, or an organization whose aims are chiefly dedicated to finance but is a manufacturing organization such as is Convair.

The business of supplying the free world with the means for defense is, and must continue to be, the first business of the United States and Canada. The Merged Corporation would result in a single great enterprise—integrating in one dynamic concept the management, engineering, finance, manufacturing and marketing of military and commercial aircraft, guided missiles, submarines, electric motors, and atomic projects generally.

Dynamics is the builder of the United States Navy's atomic powered submarines, the "Nautilus" and the "Sea Wolf"—the first vessels in the world to be propelled by atomic energy. Convair is currently engaged in development work for the United States Air Force leading to the application of nuclear power to aircraft. Other major projects of a military and commercial nature, being developed independently by the separate corporations, would continue to be developed by the Merged Corporation. The products of each corporation's advanced engineering in aerodynamics, hydrodynamics and nucleodynamics—many of which are well known but many of the most valued of which may not yet be disclosed or discussed—complement each other to such a degree that they are thus especially fitted for sponsorship by one corporate entity rather than two. A further and perhaps paramount advantage to be gained by Convair and Convair's share owners would be the diversified manufacturing and engineering experience and the proved earning capabilities of the General Dynamics

group. Another substantial advantage is the elimination of the practically controlling block of stock of Convair, thereby restoring the matter of the election of Directors and, therefore, the direction of policy over the affairs of Convair to all the share owners of the Merged Corporation (namely, the present share owners of Convair and Dynamics) and not to any special investment group as was the case over the past decade.

Decision to Merge:

During the latter part of last year the Board of Convair and the Board of Dynamics each appointed a committee of their Directors to explore the mechanics of the consummation of a merger. The Convair Committee retained Blyth & Co., Inc. and the Dynamics Committee retained Lehman Brothers to study the proposal and—independently of each other—to recommend whether or not the merger was feasible and desirable from a financial standpoint; and, if in their opinion it was feasible and desirable, to recommend a ratio of exchange of shares that would be fair and equitable to the share owners of both corporations.

The two Committees jointly retained the services of Sanderson & Porter, well-known independent engineers, to survey the properties, products and operations of both corporations.

The reports of Blyth & Co., Inc., Lehman Brothers and Sanderson & Porter were unanimously in favor of the merger as feasible, and as desirable for both corporations and their share owners. Also, the three groups of experts unanimously approved as fair and equitable to all concerned the ratio of exchange hereinafter described. Numerous meetings were held, and as a result of the studies of the two independent Committees, of the two leading firms of investment bankers, and of the independent engineers, a Merger Agreement, as described in the accompanying Proxy Statement, was signed by the Directors of both corporations for presentation to the share-owners thereof.

Basis of Merger:

In fixing the basis for the conversion of the Common Stock of Convair into Common Stock of Dynamics (4/7ths of a share of Dynamics for each share of Convair) consideration was given to all known financial and other factors such as financial history, including historical earnings, present earning power, estimated future potentials, backlogs, book values, dividends and actual market prices. These factors were studied not only by the Directors of both corporations, but also by the financial experts, Blyth & Co., Inc. and Lehman Brothers and the engineers, Sanderson & Porter. It is believed that the basis determined upon as described herein and as set forth in the Agreement of Merger is fair and equitable and is the proper basis for such conversion. The benefits to be achieved by the merger and the combined earnings of the constituent corporations led the Directors to determine that an increase in the dividend rate is warranted. They have therefore expressed their intention to establish an annual rate of \$3.50 per share on the Common Stock resulting from the merger (equivalent to \$2 per share on the present Convair shares) and to maintain such rate as long as this constitutes prudent business judgment.

Vote:

The affirmative vote of the holders of two-thirds of the Capital Stock of Convair and of Dynamics at meetings to be held on April 29, 1954 is required to approve the merger. Dynamics holds 400,000 shares out of 2,379,298 shares of Convair outstanding or approximately 17%. Therefore, it will be necessary for holders of a majority of the shares of Convair, without giving effect to Dynamics' holdings, to approve the merger before the same can be made effective.

Incentive Compensation Plan:

Your Proxy is also being requested to vote in favor of a separate Incentive Compensation Plan for Convair personnel.

The Board of Directors of Convair has adopted, subject to approval by the share owners, an Incentive Compensation Plan, to be effective for the fiscal year ended November 30, 1953 and thereafter. This is essentially the same Plan which is currently in operation with respect to General Dynamics and its subsidiary, Canadair, Limited. Its operation there has been of great value and its application to Convair personnel as an

incentive to continued profit-making for the share owners is expected to produce equally beneficial results.

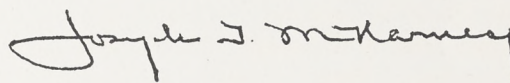
The details of the Plan are set forth in the accompanying Proxy Statement, but it should be emphasized that the Plan provides that there shall be no profit-sharing until after 6 per cent has been earned upon capital, after taxes, as defined in the Plan. The Plan provides for the distribution in each year of a maximum of 5 per cent of the profits before taxes after deducting therefrom an amount which after taxes is equal to a 6 per cent return on the capital employed in the business as defined in the Plan.

Conclusion:

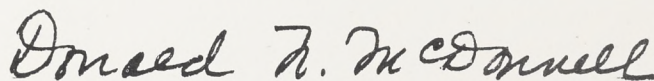
The accompanying Proxy Statement, which should be read most carefully by share owners, sets forth in great detail information relating to the merger and the Incentive Compensation Plan.

Share owners are respectfully urged to execute and return promptly the enclosed form of Proxy so as to expedite the merger and minimize the expense involved. Your cooperation will be appreciated.

Sincerely yours,



President



Chairman of the Special
Committee of the Board
of Directors.

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CONSOLIDATED VULTEE

A I R C R A F T C O R P O R A T I O N

SAN DIEGO 12, CALIFORNIA

April 15, 1954

To the Share Owners:

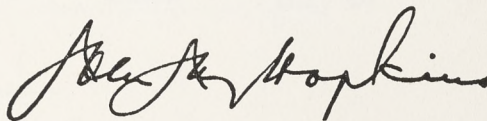
You have by now received and had an opportunity to consider the proxy material dated March 26th and the letter of General McNarney, President of the Company, which was also signed by Mr. Donald N. McDonnell, Chairman of the Special Committee of the Board of Directors, in respect of the proposed merger.

We are all very gratified at the reception by share owners of this action and of the Incentive Compensation Plan as evidenced by the proxy returns and by general acceptance of the proposals. For your information, similar enthusiasm concerning the merger of General Dynamics and Convair into one great operation has been shown by the share owners of General Dynamics and as a matter of fact by almost all persons acquainted with either or both of the corporations.

I thought it would be appropriate for me as Chairman of the Board of Directors of Convair personally to advise the share owners of the importance which I attribute to the proposed merger and to urge you, if you have not already done so, to cast your vote in favor of this action.

For your convenience, in case you have not already voted, there is enclosed another form of proxy and a self-addressed envelope which requires no postage.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Joe J. Hopkins", written in a cursive style.

Chairman of the Board

Please Act Promptly

CONSOLIDATED VULTEE

AIRCRAFT CORPORATION

SAN DIEGO 12, CALIFORNIA

April 16, 1954

To the Share Owners:

You have by now received and had an opportunity to consider the proxy material dated March 26th and the letter of General McNamara, President of the Company, which was also signed by Mr. Donald N. McDougal, Chairman of the Special Committee of the Board of Directors, in respect of the proposed merger.

We are all very gratified at the reception by share owners of this action and of the Incentive Compensation Plan as evidenced by the proxy returns and by general acceptance of the proposals. For your information, similar enthusiasm concerning the merger of General Dynamics and Convair into one great operation has been shown by the share owners of General Dynamics and as a matter of fact by almost all persons acquainted with either or both of the corporations.

I thought it would be appropriate for me as Chairman of the Board of Directors of Convair personally to advise the share owners of the importance which I attribute to the proposed merger and to urge you, if you have not already done so, to cast your vote in favor of this action.

For your convenience, in case you have not already voted, there is enclosed another form of proxy and a self-addressed envelope which requires no postage.

Sincerely yours,



Chairman of the Board

Please Act Promptly

JOURNAL-EVERY EVENING

WILMINGTON, DELAWARE

AFFIDAVIT OF PUBLICATION

STATE OF DELAWARE
COUNTY OF NEW CASTLE }

Personally appeared before me this _____ day of _____ 1954 _____ Margaret of The Journal-Every Evening, a daily newspaper and published in the City of Wilmington, Co Castle, State of Delaware, who, being duly that the attached advertisement of _____

NOTICE OF SPECIAL MEETING OF SHARE

OF CONSOLIDATED VULTEE AIRCRAFT CORP.

was published in the Journal-Every Evening on _____

April 1, 8, 15, and 22, 1954

Margaret R. Adrevel
Classified Adv. Manager

Sworn to before me this _____ 22nd _____ day of _____

April 19 54

Anne H. Davidson
Notary Public.

CONSOLIDATED VULTEE AIRCRAFT CORPORATION
NOTICE OF SPECIAL (IN LIEU OF ANNUAL) MEETING OF SHARE OWNERS
To the Share Owners of CONSOLIDATED VULTEE AIRCRAFT CORPORATION

NOTICE IS HEREBY GIVEN that a special (in lieu of annual) meeting of share owners of Consolidated Vultee Aircraft Corporation, a Delaware corporation (hereinafter called Convair) will be held at 129 South State Street, Dover, Delaware, on April 29, 1954, at 11 o'clock a. m., to consider and take action with respect to the following:

(1) The consideration and voting upon the adoption or rejection of an Agreement of Merger providing for the merger of Convair with and into General Dynamics Corporation (Dynamics), a copy of which is attached to the Proxy Statement being mailed to the share owners of Convair; and the authorization of the directors and officers of Convair to take all action necessary or desirable to carry out the terms of said Agreement of Merger.

(2) The consideration and voting upon the approval or rejection of an Incentive Compensation Plan adopted by the Board of Directors. A copy of said Plan accompanies and is made part of said Proxy Statement.

(3) The consideration of and action upon any other business which may properly come before the meeting or any adjournment or adjournments thereof.

The close of business on March 26, 1954, has been fixed as the record date for determining share owners entitled to receive notice of and to vote at this special (in lieu of annual) meeting or any adjournment or adjournments thereof, and only share owners of record at said time and date are entitled to receive notice of and to vote at said meeting. The transfer books of Convair will not be closed.

By Order of the Board of Directors
EDMUND BURKE, Secretary.

Dated at San Diego, California
March 26, 1954.
apr.1-8-15-22.

CONSOLIDATED VULTEE

ASSOCIATION

SAN DIEGO 12, CALIFORNIA

April 16, 1954

To the Share Owners:

You have by now received and had an opportunity to consider the proxy material dated March 28th and the letter of General McNamee, President of the Company, which was also signed by Mr. Donald N. McDermott, Chairman of the Special Committee of the Board of Directors, in respect of the proposed merger.

We are all very gratified at the reception by share owners of this action and of the Incentive Compensation Plan as evidenced by the proxy returns and by general acceptance of the proposals. For your information, similar enthusiasm concerning the merger of General Dynamics and Convair into one great operation has been shown by the share owners of General Dynamics and as a matter of fact by almost all persons acquainted with either or both of the corporations.

I thought it would be appropriate for me as Chairman of the Board of Directors of Convair personally to advise the share owners of the importance which I attribute to the proposed merger and to urge you, if you have not already done so, to cast your vote in favor of this action.

For your convenience, in case you have not already voted, there is enclosed another form of proxy and a self-addressed envelope which requires no postage.

Sincerely yours,



Chairman of the Board

Please Act Promptly

JOURNAL-EVERY EVENING

WILMINGTON, DELAWARE

AFFIDAVIT OF PUBLICATION

STATE OF DELAWARE
COUNTY OF NEW CASTLE

Personally appeared before me this 22nd
day of April 1954 Margaret R. Cadwell
of The Journal-Every Evening, a daily newspaper printed
and published in the City of Wilmington, County of New
Castle, State of Delaware, who, being duly sworn states
that the attached advertisement of _____

NOTICE OF SPECIAL MEETING OF SHARE OWNERS

OF CONSOLIDATED VULTEE AIRCRAFT CORP.

was published in the Journal-Every Evening on _____
April 1, 8, 15, and 22, 1954

Margaret R. Cadwell
Classified Adv. Manager

Sworn to before me this 22nd day of

April 1954

Anne D. Davidson
Notary Public.

COMPARE! The individuality of the colonial architecture.
COMPARE! Brick construction.
COMPARE! Beautifully finished.
COMPARE! Floor plan, 3 nice size bedrooms. Walk-in type closet in master bedroom.
COMPARE! Modern kitchen, including console range, De-luxe exhaust fan.
COMPARE! Spacious dining room.
COMPARE! Large garage located in basement.
COMPARE! Materials of the finest obtainable.
COMPARE! 10" poured concrete base-ment.
COMPARE! Schools, churches, and transportation — water, gas, electricity, sewers, streets, and paved gutters.
COMPARE! Ceramic tile bath.
COMPARE! Recreation type base-ment.
COMPARE! Heating costs.
V. A. & P. H. A. APPROVED
You will make the most worthwhile trip you ever made to a place that

SO
WORTHWHILE, WE SAY
\$37.24 approx. net cost.
\$30.53 approx. net savings
\$67.77 approx. monthly chg.
EASTLAWN

JOURNAL-EVERY EVENING

WILMINGTON, DELAWARE

AFFIDAVIT OF PUBLICATION

STATE OF DELAWARE
COUNTY OF NEW CASTLE

Personally appeared before me this _____ day of _____ 19____
Margaret L. Caldwell
of The Journal-Every Evening, a daily newspaper printed
and published in the City of Wilmington, County of New
Castle, State of Delaware, who, being duly sworn states
that the attached advertisement of _____
NOTICE OF SPECIAL MEETING OF SHARE OWNERS
OF CONSOLIDATED VETERAN AIRCRAFT CORP.
was published in the Journal-Every Evening on
April 1, 8, 15, and 22, 1954

Margaret L. Caldwell
Classified Adv. Manager

Sworn to before me this _____ day of _____ 19____

April 11 1954

Ann H. Burdette
Notary Public

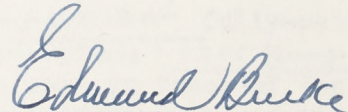
CONSOLIDATED VULTEE AIRCRAFT CORPORATION

OATH OF JUDGES FOR CONDUCTING THE VOTING BY
BALLOT AT THE

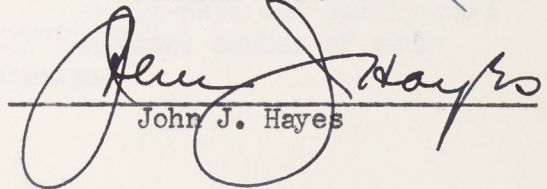
SPECIAL (IN LIEU OF ANNUAL) MEETING OF SHARE OWNERS
APRIL 29, 1954

STATE OF DELAWARE)
) ss
COUNTY OF KENT)

We, Edmund Burke and John J. Hayes, duly appointed judges for conducting the vote by ballot at this Special (in lieu of Annual) Meeting of the holders of the Common Stock of Consolidated Vultee Aircraft Corporation, held this 29th day of April, 1954, do solemnly swear that we will faithfully and impartially perform our duties and will faithfully and diligently take charge of the ballots, proxies and polls, and decide upon the qualification of voters, the validity of proxies, and the acceptance of or rejection of votes, canvass the votes cast, and honestly and truthfully report the results thereof, in accordance with the law and the Bylaws and the Certificate of Incorporation of said corporation.




Edmund Burke



John J. Hayes

Subscribed and sworn to before
me this 29th day of April, 1954.




CONSOLIDATED IN THE AIRCRAFT CORPORATION

CASE OF JAMES FOR CONSIDERING THE FORTH BY
BALLOT AT THE

SPECIAL (IN LINE OF AIRING) MEETING OF SHARE OWNERS
APRIL 29, 1924

STATE OF NEW YORK
COUNTY OF WEST

We, Edward Burke and John J. Hayes, duly appointed judges
for conducting the vote by ballot at this Special (in line of airing)
Meeting of the holders of the Common Stock of Consolidated
Aircraft Corporation, held this 29th day of April, 1924, do solemnly
swear that we will faithfully and impartially perform our duties
and will faithfully and diligently take charge of the ballots, boxes
and polls, and decide upon the qualification of voters, the validity
of proxies, and the acceptance of or rejection of votes, canvass the
votes cast, and honestly and truthfully report the results thereof,
in accordance with the law and the Constitution of
Incorporation of said corporation.


Edward Burke

John J. Hayes



Subscribed and sworn to before
me this 29th day of April, 1924.

CONSOLIDATED VULTEE AIRCRAFT CORPORATION
GENERAL OFFICES, SAN DIEGO, CALIFORNIA

CERTIFICATE AND REPORT OF JUDGES OF ELECTION
APRIL 29, 1954

STATE OF DELAWARE)
) ss
COUNTY OF KENT)

We the undersigned, Edmund Burke and John J. Hayes, being duly appointed Judges for the purpose of conducting the voting by ballot of the holders of the fully-paid and partly-paid Common Stock of Consolidated Vultee Aircraft Corporation at the special (in lieu of annual) meeting of share owners of said corporation, held on the 29th day of April, 1954, at 129 South State Street, Dover, Delaware, do hereby certify:

That we attended said special (in lieu of annual) meeting of the holders of the fully-paid and partly-paid Common Stock of the corporation for the purpose aforesaid, and having taken an oath to conduct the vote by ballot did enter upon the performance of our duties as Judges in conducting the voting for (1) The consideration and voting upon the adoption or rejection of an Agreement of Merger of Consolidated Vultee Aircraft Corporation with and into General Dynamics Corporation, and (2) The consideration and voting upon the approval or rejection of an Incentive Compensation Plan adopted by the Board of Directors of Consolidated Vultee Aircraft Corporation.

That we canvassed the ballots of the share owners in accordance with the law and the Bylaws and Certificate of Incorporation of the corporation.

(I) That the vote of the holders of 1,759,733 ~~1,933,534~~ fully-paid and partly-paid shares of Common Stock of the corporation (73.958195 % of the total number of such shares) have been cast in favor of the resolution adopting and approving the Agreement of Merger, and that the votes of the holders of 51,761 fully-paid and partly-paid shares of Common Stock (2.17 % of the total number of such shares) have been cast against said resolution.

CONSOLIDATED VULTEE AIRCRAFT CORPORATION
GENERAL OFFICES, SAN DIEGO, CALIFORNIA

CERTIFICATE AND REPORT OF JUDGES OF ELECTION
APRIL 29, 1934

STATE OF DELAWARE
COUNTY OF NEW
23

We the undersigned, Edmund Burke and John J. Hayes, being duly appointed judges for the purpose of conducting the voting by ballot of the holders of the fully-paid and partly-paid Common Stock of Consolidated Vultee Aircraft Corporation at the special (in lieu of annual) meeting of share owners of said corporation, held on the 29th day of April, 1934, at 129 South State Street, Dover, Delaware, do hereby certify:

That we attended said special (in lieu of annual) meeting of the holders of the fully-paid and partly-paid Common Stock of the corporation for the purpose aforesaid, and having taken an oath to conduct the vote by ballot did enter upon the performance of our duties as judges in conducting the voting for (1) The consideration and voting upon the adoption or rejection of an Agreement of Merger of Consolidated Vultee Aircraft Corporation with and into General Dynamics Corporation, and (2) The consideration and voting upon the approval or rejection of an Incentive Compensation Plan adopted by the Board of Directors of Consolidated Vultee Aircraft Corporation.

That we canvassed the ballots of the share owners in accordance with the law and the Bylaws and Certificate of Incorporation of the corporation.

(1) That the vote of the holders of 1,529,233 fully-paid and partly-paid shares of Common Stock of the corporation (2,500,000 shares of the total number of such shares) have been cast in favor of the resolution adopting and approving the Agreement of Merger, and that the votes of the holders of 51,761 fully-paid and partly-paid shares of Common Stock (51,761 of the total number of such shares) have been cast against said resolution.

CONSOLIDATED VULTEE AIRCRAFT CORPORATION
GENERAL OFFICES, SAN DIEGO, CALIFORNIA

(II) That the votes of the holders of 1,841,094 fully-paid and partly-paid shares of Common Stock of the corporation (77.36 % of the total number of such shares) have been cast in favor of the resolution approving the Incentive Compensation Plan of Consolidated Vultee Aircraft Corporation, and that the votes of the holders of 9,540 fully-paid and partly-paid shares of Common Stock of the corporation (3.84 % of the total number of such shares) have been cast against the said resolution.

IN WITNESS WHEREOF, we have made this certificate and have hereunto set our hands this 29th day of April, 1954.

Edmund Burke
Edmund Burke

John J. Hayes
John J. Hayes

Subscribed and sworn to before me this 29th day of April, 1954.

Emma V. Hall

CONSOLIDATED VULTEE AIRCRAFT CORPORATION
GENERAL OFFICES, SAN DIEGO, CALIFORNIA

(II) That the votes of the holders of fully-paid and partly-paid shares of Common Stock of the corporation (22,500) of the total number of shares (22,500) have been cast in favor of the resolution approving the Incentive Compensation Plan of Consolidated Vultee Aircraft Corporation, and that the votes of the holders of fully-paid and partly-paid shares (22,500) of the total number of shares (22,500) have been cast against the said resolution.

IN WITNESS WHEREOF, we have made this certificate and have hereunto set our hands this 29th day of April, 1934.

[Signature]
Edward H. Hays
[Signature]
John J. Hayes

Subscribed and sworn to before me this 29th day of April, 1934.

[Signature]



AGREEMENT OF MERGER dated as of the 29th day of April, 1954 (hereinafter sometimes referred to as the "Agreement") by and between GENERAL DYNAMICS CORPORATION, a corporation organized and existing under the laws of the State of Delaware (hereinafter sometimes referred to as "Dynamics" or the "Surviving Corporation") and CONSOLIDATED VULTEE AIRCRAFT CORPORATION, a corporation organized and existing under the laws of the State of Delaware (hereinafter sometimes referred to as "Convair"), (Dynamics and Convair being hereinafter sometimes referred to as the "Constituent Corporations").

WHEREAS, (1) Dynamics was incorporated pursuant to the General Corporation Law of the State of Delaware on February 21, 1952 and merged Electric Boat Company (a New Jersey corporation) with and into itself on April 25, 1952, in accordance with an Agreement of Merger dated as of the 24th day of April, 1952 by and between Electric Boat Company and Dynamics, said Agreement of Merger being duly filed in the Office of the Secretary of State of the State of Delaware and in the Office of the Secretary of State of the State of New Jersey and duly recorded in the Office of the Recorder of Kent County, Delaware; and

WHEREAS, (2) Dynamics has an authorized capital stock consisting of 2,668,305 shares, divided into 168,305 shares of Preferred Stock without par value and 2,500,000 shares of Common Stock of the par value of \$3 each, of which there were outstanding and not owned by Dynamics, on February 1, 1954, 157,383 shares of such Preferred Stock and 842,533 shares of such Common Stock; and

WHEREAS, (3) Dynamics is authorized to grant Restricted Stock Options to its officers and employees in accordance with the Restricted Stock Option Plan dated March 26, 1951, approved by the stockholders of Electric Boat Company, the predecessor of Dynamics, on April 26, 1951 and made a part of said Agreement of Merger dated as of the 24th day of April, 1952; and

WHEREAS, (4) there were outstanding on February 1, 1954 Restricted Stock Options granted under said Plan for the purchase of 53,018 shares of Common Stock of Dynamics; and

WHEREAS, (5) Convair was incorporated pursuant to the General Corporation Law of the State of Delaware on May 29, 1923 and merged Vultee Aircraft, Inc. (a Delaware corporation) with and into itself on March 18, 1943, in accordance with an Agreement of Merger dated as of the 25th day of January, 1943 by and between Consolidated Aircraft Corporation and Vultee Aircraft, Inc., said Agreement of Merger being duly filed in the Office of the Secretary of State of the State of Delaware and duly recorded in the Office of the Recorder of Kent County, Delaware and in the Office of the Recorder of New Castle County, Delaware; and

WHEREAS, (6) Convair has an authorized capital stock consisting of 2,400,000 shares of Common Stock of the par value of \$1 per share, of which there were outstanding and not owned by Convair, on February 1, 1954, 2,379,298 shares of such Common Stock and 300 partly-paid shares of such Common Stock issued under its "Plan for the issuance of Common Stock of the par value of \$1 per share of Consolidated Vultee Aircraft Corporation to and the purchase of such stock by certain of its executive officers and key employees"; and

WHEREAS, (7) Dynamics holds and owns 400,000 shares of Common Stock of Convair; and

WHEREAS, (8) the principal office of Dynamics in Delaware is No. 129 South State Street, Dover, County of Kent, Delaware; and

WHEREAS, (9) the principal office of Convair in Delaware is 927 Market Street, Wilmington, County of New Castle, Delaware; and

WHEREAS, (10) the respective Boards of Directors of the Constituent Corporations have unanimously approved, adopted and declared this Agreement advisable and in the best interests of the

Constituent Corporations and their respective stockholders by resolutions of the Board of Directors of Dynamics passed at a meeting thereof held March 1, 1954, and by resolutions of the Board of Directors of Convair passed at a meeting thereof held March 1, 1954; and

WHEREAS, (11) the parties hereto deem it desirable and desire that the Constituent Corporations shall merge into a single corporation, Dynamics, which shall be the Surviving Corporation;

NOW, THEREFORE, in consideration of the premises and of the mutual provisions, agreements, covenants, conditions and grants herein contained, the parties hereto, in accordance with the applicable provisions of the laws of the State of Delaware, do hereby agree as follows:

FIRST: *Merger.* Convair shall be and hereby is merged pursuant to Section 251 of the General Corporation Law of the State of Delaware with and into Dynamics, and Dynamics does hereby merge Convair with and into itself. Dynamics shall be the Surviving Corporation and it shall continue and be deemed to continue for all purposes whatsoever after the merger of Convair with and into itself.

SECOND: *Jurisdiction and Name.* The Surviving Corporation shall be governed by the laws of the State of Delaware and its name shall continue to be:

GENERAL DYNAMICS CORPORATION

THIRD: *Delaware Office and Resident Agent.* The principal office or place of business of the Surviving Corporation in the State of Delaware is located at No. 129 South State Street in the City of Dover, County of Kent. The name and address of the resident agent of the Surviving Corporation in the State of Delaware is United States Corporation Company, No. 129 South State Street, Dover, Delaware.

FOURTH: *Nature of the Business or Objects or Purposes.* The nature of the business, or objects or purposes to be transacted, promoted or carried on are as follows:

(a) To engage in the business of manufacture and operation of ships and aircraft and to build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, purchase, charter, hire or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondition, assign, mortgage, pledge or otherwise generally dispose of, trade and deal in boats, ships, vessels, submarines and other means of navigation of whatsoever kind and description, and airplanes, airships, helicopters, guided missiles, dirigibles, balloons, blimps and other aircraft of whatsoever kind and description, whether for use upon or under the surface of the sea, in the air or otherwise, including, without limitation, the acquisition in any manner whatsoever of all plants, properties, real estate, personalty, materials, machinery, motive power, supplies and other articles necessary or convenient for use, directly or indirectly, in connection therewith or related thereto.

(b) To the extent permitted by law: to engage in the business of research and experimentation in the field of nuclear chain reaction and atomic energy for any and all civilian, military or other purposes whatsoever; to engage in any business relating, directly or indirectly, to the use of nuclear, fissionable, fusionable and radioactive material and atomic energy of any description, and to build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, purchase, charter, hire or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondition, assign, mortgage, pledge or otherwise generally dispose of, trade and deal in propulsion machinery, reactors, boilers, pressure vessels, engines, mechanisms, tools, implements, instruments, appliances and apparatus of whatsoever kind and description, making use of, related to or having any purpose in connection with nuclear, fissionable, fusionable and radioactive materials and atomic energy, including, without limitation, the acquisition in any manner whatsoever of all plants, properties, real estate, personalty, materials, machinery, motive power, supplies and other articles necessary or convenient for use, directly or indirectly, in connection therewith or related thereto.

(c) To engage in the business of manufacture and operation of all types of transportation for use in the air, on and under the sea, and on and under the land, and to establish and maintain and operate shipping lines, air lines and vehicular lines of every description for the transportation of passengers and goods, to build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, purchase, charter, hire or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondition, assign, mortgage, pledge or otherwise generally dispose of, trade and deal in ships and aircraft as hereinabove provided for, as well as automobiles, trucks, trailers, motorcycles, tractors and other vehicles of whatsoever kind and description, including without limitation, the acquisition in any manner whatsoever of all plants, properties, real estate, personalty, materials, machinery, motive power, supplies and other articles necessary or convenient for use, directly or indirectly, in connection therewith or related thereto. Nothing herein shall be deemed to authorize the Surviving Corporation to construct, maintain or operate public utilities within the State of Delaware.

(d) To engage in the business of manufacture of machinery of every description, to build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, purchase, charter, hire or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondition, assign, mortgage, pledge or otherwise generally dispose of, trade and deal in propulsion machinery, motors, engines, mechanisms, tools, implements, instruments, appliances and apparatus of whatsoever kind and description, whether operated by gasoline, kerosene, alcohol, electricity, oil, steam, nuclear fission, fusion or any other means, whether now known or hereafter discovered, including, without limitation, the acquisition in any manner whatsoever of all plants, properties, real estate, personalty, materials, machinery, motive power, supplies and other articles necessary or convenient for use, directly or indirectly, in connection therewith or related thereto.

(e) To engage in the business of manufacture of synthetic and plastic substances and products, to build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, purchase, charter, hire or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondition, assign, mortgage, pledge or otherwise generally dispose of, trade and deal in synthetic rubber, plywood, vulcanized fiber, celluloid, natural or synthetic plastics, plastic substances and materials, and any and all natural or synthetic organic materials made from cellulose, proteins, hydrocarbons or resins, including any and all compounds, mixtures and derivatives of the foregoing or any of them, and any and all articles consisting or partly consisting of the foregoing, including, without limitation, the acquisition in any manner whatsoever of all plants, properties, real estate, personalty, materials, machinery, motive power, supplies and other articles necessary or convenient for use, directly or indirectly, in connection therewith or related thereto.

(f) To engage in the business of manufacturing and merchandising, generally and without limitation, all types of products and articles, to build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, purchase, charter, hire or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondition, assign, mortgage, pledge or otherwise generally dispose of, trade and deal in, all types of manufactured products, articles, apparatus, machinery, machines, equipment, devices, accessories, systems, parts, supplies, tools, implements, apparatus, raw materials, natural products, manufactured products, of whatsoever kind and description, including, without limitation, the acquisition in any manner whatsoever of all plants, properties, real estate, personalty, materials, machinery, motive power, supplies and other articles necessary or convenient for use, directly or indirectly, in connection therewith or related thereto.

(g) To build, manufacture, fabricate, construct, assemble, design, develop, experiment with, produce, import, export, charter, hire, or otherwise acquire, own, maintain, sell, lease, transfer, hold, operate, use, install, equip, replace, service, process, reprocess, repair, remodel, recondi-

tion, assign, mortgage, pledge, or otherwise generally dispose of, trade and deal in, goods, chattels, wares, merchandise and personal property of every class and description.

(h) To purchase or otherwise acquire, and to hold, own, maintain, work, develop, sell, lease, exchange, hire, convey, mortgage or otherwise dispose of and deal in, lands and leaseholds, and any interest, estate and rights in real property, including oil and other mineral rights, and any personal or mixed property, and any franchises, rights, licenses or privileges of whatsoever kind and description.

(i) To engage in engineering, research, experimental, laboratory and development work in connection with any or all of its purposes, to act as engineering or research counsellors and consultants, and in connection therewith to render management, engineering, research, technical and advisory services to persons, firms, corporations and others.

(j) To purchase, lease or otherwise acquire the whole or any part of the business, good will, rights and property of any kind, of any person, firm, association or corporation, domestic or foreign, and to undertake the whole or any part of the assets and liabilities of any person, firm, association or corporation and to pay for the same in cash, stock, bonds, evidences of indebtedness or property of the Surviving Corporation or otherwise.

(k) To purchase, lease or otherwise acquire and to register, hold, develop, experiment with, own, maintain, sell, transfer, use, enjoy, operate, introduce, assign, pledge or otherwise generally dispose of, trade and deal in, all patent rights and letters patent of the United States, or of any other country, inventions, designs, formulae, concessions, trade-marks, trade names, brands, labels, copyrights, know-how, improvements and processes, whether or not used in connection with or secured under letters patent of the United States or of any other country, and to apply for, obtain and register, copyrights, trade-marks and patents in connection with the same, and to grant or accept licenses or territorial rights in respect thereof or otherwise turn the same to account.

(l) To purchase, or otherwise acquire, for investment or otherwise, to hold, sell, transfer, mortgage, pledge, exchange or otherwise deal in or dispose of bonds, mortgages, debentures, shares or obligations of any corporation, foreign or domestic, and to exercise in respect thereof all the rights, powers and privileges of individual owners thereof.

(m) To draw, make, accept, discount, endorse, execute and issue bonds, debentures, promissory notes and all other transferable or negotiable instruments.

(n) To endorse, guarantee and secure the payment and satisfaction of bonds, coupons, mortgages, deeds of trust, debentures, securities, obligations and evidences of indebtedness, and also to guarantee and secure the payment or satisfaction of interest on obligations and of dividends on shares of the capital stock of other corporations; also to assume and guarantee the whole or any part of the liabilities, existing or prospective, of any person, corporation, firm or association; and to aid in any manner any other person or corporation with which it has business dealings, or whose stocks, bonds, or other obligations are held or are in any manner guaranteed by the Surviving Corporation, and to do any other acts and things for the preservation, protection, improvement or enhancement of the value of such stocks, bonds, or other obligations.

(o) To purchase, hold, sell and reissue shares of its own stock.

(p) To issue or exchange stocks, bonds and other obligations in payment for property purchased or acquired by it, or for any other object in or about its business; to borrow money without limit; to mortgage or pledge its franchises, real or personal property, income and profits accruing to it, any stocks, bonds or other obligations, or any property which may be acquired by it, and to secure any bonds or other obligations by it issued or incurred.

(q) To act as selling agents for other manufacturers, and to manufacture for its own account, and to buy, sell, import, export, and generally deal in, guns, bombs, munitions, and

weapons of every name or description, and parts, accessories, and equipment used in connection therewith or thereunto appertaining.

(r) To finance for others the manufacture, purchase, ownership, sale, maintenance and operation of boats, ships, vessels, submarines, airplanes, airships, helicopters, guided missiles, dirigibles, balloons, blimps, automobiles, motor cars, taxi-cabs, motor trucks, and any and all other vessels, aircraft and vehicles of whatsoever kind and description; to buy, sell and generally deal in notes, chattel mortgages, conditional sales agreements, accounts and bills receivable and commercial paper and/or liens upon boats, ships, vessels, submarines, airplanes, airships, helicopters, guided missiles, dirigibles, balloons, blimps, automobiles, motor cars, taxi-cabs, motor trucks, and any and all other vessels, aircraft and vehicles of whatsoever kind and description, or parts and accessories thereto appertaining, or any other chattels of whatsoever kind and description, and to conduct generally the business of an investment broker or finance corporation, and to buy, sell and generally deal in stocks, bonds, notes or securities of every name and description, but not to exercise the functions of bank discount.

(s) To act as agents or subagents, brokers and factors for any person, firm, association, corporation or government; and to employ any subagent for any principal whether disclosed or undisclosed, or to act as principal and to employ any agent or subagent, all for the purpose of obtaining or acquiring by any means any contract, charter, lease, agreement or property of any nature or for any other purpose whatsoever; to act as intermediary, broker or negotiator between principals and/or agents including, *inter alia*, lessors, lessees, charterers, buyers, sellers, mortgagors, mortgagees, pledgors and pledgees; and to make agreements, contracts or charters in its own name or in the name of any person, firm, association or corporation which it represents.

(t) To carry on any business whatsoever which the Surviving Corporation may deem proper or convenient in connection with any of the foregoing purposes or otherwise, or which may be calculated, directly or indirectly, to promote the interests of the Surviving Corporation or to enhance the value of its property, as contractor, subcontractor, principal, agent, commission merchant, attorney in fact, broker, factor, or in any other capacity or in any combination of capacities; to conduct its business in the State of Delaware, in other States, in the District of Columbia, in the Territories and Colonies of the United States of America, and in foreign countries; and to hold, purchase, lease or otherwise acquire, sell, mortgage and convey or otherwise dispose of, without limit, real and personal property, either in or out of the State of Delaware, and to have and to exercise all the powers conferred by the laws of the State of Delaware upon corporations organized under the act pursuant to and under which the Surviving Corporation is organized.

(u) To do all and everything necessary, suitable or proper for the accomplishment of any of the purposes or the attainment of any of the objects or the furtherance of any of the powers herein set forth, and to do every other act or acts, thing or things incidental or appurtenant to or growing out of or connected with the aforesaid business or powers or any part or parts thereof, provided the same be not inconsistent with the laws under which the Surviving Corporation is organized.

FIFTH: *Capital Stock.*

1. *Number and Classes of Shares Authorized.* The total number of shares of all classes of stock which the Surviving Corporation shall have authority to issue is 6,157,383 shares, divided into 157,383 shares of Preferred Stock without par value and 6,000,000 shares of Common Stock of the par value of \$3 each.

2. *Consideration for Issuance of Stock May Be Fixed by Directors.* Shares of stock of any class now or hereafter authorized may be issued by the Surviving Corporation from time to time for such consideration not less than the par value thereof as shall be fixed from time to time by the Board

of Directors of the Surviving Corporation. Any and all shares of stock so issued for which the consideration so fixed has been paid or delivered to the Surviving Corporation shall be declared and taken to be full paid stock and shall not be liable to any further call or assessments thereon, and the holders of such shares shall not be liable for any further payments in respect of such shares. In the absence of actual fraud in the transaction, the judgment of the Directors as to the value of any labor done, personal property, real estate or leases thereof, as payment in whole or in part for the purchase price of shares of stock of any class issued by the Surviving Corporation, shall be conclusive.

3. *Provisions With Respect to Preferred Stock and Common Stock.* The designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof of the various classes of stock of the Surviving Corporation shall be as follows:

(a) *Dividends.* The holders of the Preferred Stock shall be entitled to receive dividends, when and as declared from the surplus or net profits of the Surviving Corporation available for the payment thereof, at the rate of \$2 per share per annum, and no more, payable quarterly on dates to be fixed by the by-laws. The dividends on the Preferred Stock shall be cumulative, and shall be payable before any dividend on the Common Stock shall be paid or set apart; so that if in any year dividends amounting to \$2 per share shall not have been paid thereon, the deficiency shall be payable before any dividends shall be paid upon or set apart for the Common Stock.

Whenever all cumulative dividends on the Preferred Stock for all previous years shall have been declared and shall have become payable, and the accrued quarterly installments for the current year shall have been declared, and the Surviving Corporation shall have paid such cumulative dividends for previous years and such accrued quarterly installments or shall have set aside from its surplus or net profits a sum sufficient for the payment thereof, the Board of Directors may declare dividends on the Common Stock, payable then or thereafter, out of any remaining surplus or net profits.

(b) *Conversion.* Any holder of Preferred Stock may at any time and from time to time, except as hereinafter provided in respect of redemption, convert all or any of the shares of Preferred Stock held by him into Common Stock on the basis of one and one twentieth ($1\frac{1}{20}$) shares of Common Stock for one (1) share of Preferred Stock, without any adjustment in respect of dividends, by surrender to the Surviving Corporation of the certificate or certificates representing the Preferred Stock so to be converted, which shall bear the necessary transfer stamps and which, if the Surviving Corporation shall so require, shall be properly endorsed or assigned for transfer; and upon such surrender, such holder shall be entitled to receive therefor one (1) or more certificates for the shares of Common Stock into which such Preferred Stock is convertible. In the event of an increase at any time in the number of shares of Common Stock outstanding as a result of any split-up by reclassification or otherwise of shares of Common Stock, or as a result of any stock dividend payable in Common Stock, the number of shares of Common Stock into which each share of Preferred Stock shall thereafter be convertible, as aforesaid, shall be increased in the same proportion as the outstanding number of shares of Common Stock is increased by said split-up or stock dividend, or in the event that the number of shares of Common Stock at any time outstanding shall be decreased as a result of any combination by reclassification or otherwise of shares of Common Stock then outstanding, the number of shares of Common Stock into which each share of Preferred Stock shall thereafter be convertible, as aforesaid, shall be decreased in the same proportion as the outstanding number of shares of Common Stock is decreased by said combination.

No fractional shares of Common Stock shall be issuable upon conversion of shares of Preferred Stock. In lieu of any such fractional shares, the holders of the Preferred Stock upon conversion thereof shall be entitled as determined from time to time by the Board of Directors of the Surviving Corporation to either (i) scrip certificates for fractional shares with such terms and conditions as the Board of Directors may prescribe or (ii) the cash equivalent of such fractional shares of Common Stock based upon the market value thereof at the date of any such conversion.

(c) *Liquidation and Dissolution.* In the event of the liquidation, dissolution or winding up, whether voluntary or otherwise, of the Surviving Corporation, the holders of the Preferred Stock shall be entitled to be paid in full out of the assets, whether capital or surplus, \$50 per share and the unpaid dividends accrued thereon before any amount shall be paid to the holders of the Common Stock. If the assets distributable on such liquidation, dissolution or winding up, shall be insufficient to permit payment to the holders of the Preferred Stock of the full amount of \$50 per share and unpaid dividends accrued thereon, the assets shall be distributed pro rata among the holders of the Preferred Stock. After the payment to the holders of the Preferred Stock of \$50 per share, and the unpaid accrued dividends thereon, the remaining assets shall be divided and paid to the holders of the Common Stock according to their respective shares. The sale of all the property of the Surviving Corporation to, or the merger or consolidation of the Surviving Corporation into or with, any other corporation shall not be deemed to be a distribution of assets, or a liquidation, dissolution or winding up within the purposes of this paragraph.

(d) *Purchase or Redemption of Shares of Preferred Stock.* The Surviving Corporation may at any time purchase in the market or at private sale its Preferred Stock or any number of shares thereof, issued and outstanding, at a cost to it of not exceeding the sum of \$51.25 per share, in each case plus unpaid dividends accrued thereon to the date of purchase. Also, the Surviving Corporation may elect at any time to redeem, call in and retire the whole of its Preferred Stock or any part thereof in amounts of not less than one thousand (1,000) shares at a time, by paying to the respective holders thereof the sum of \$51.25 per share therefor, in each case plus unpaid dividends accrued thereon to the date of redemption. If less than all the outstanding Preferred Stock is to be redeemed at any time, such redemption shall be made by lot in such manner as may be prescribed by the Board of Directors. Notice of the intention of the Surviving Corporation to redeem any or all of its Preferred Stock shall be mailed not less than forty-five (45) days prior to the date of redemption to each holder of record of stock so to be redeemed at his address as it appears upon the books of the Surviving Corporation. The holders of any shares of the Preferred Stock so called for redemption shall, on the redemption date specified in such notice, cease to be stockholders of the Surviving Corporation with respect to such shares and all rights with respect to said shares so called for redemption shall, on such redemption date, cease and terminate, except only the rights of the holders thereof to receive the redemption price therefor without interest. In case any of the Preferred Stock shall be called for redemption, the right of conversion with respect to such shares called for redemption shall expire at the close of business on the eleventh day next preceding the redemption date.

(e) *Voting.* Each holder of record of the Preferred Stock and each holder of record of the Common Stock shall be entitled to one (1) vote, in person or by proxy, for each share of each class of stock standing in his name on the books of the Surviving Corporation; provided, however, that if, at any time, the Surviving Corporation shall be in default in the payment of quarterly dividends on its Preferred Stock for six quarterly dividend periods, the holders of the Preferred Stock voting separately as a class shall be solely entitled to elect two directors of the Surviving Corporation and the holders of the Common Stock as a class shall be solely entitled to elect the remaining directors, until such time as there are no unpaid dividends accrued on the Preferred Stock to the beginning of the then current dividend period. At any annual meeting of stockholders held during the time that the Surviving Corporation is in such default, the term of office of all directors shall expire upon the election of their successors at such meeting. The by-laws shall contain appropriate provisions as to the number of shares of Preferred Stock, not to exceed a majority of the number of shares of Preferred Stock then outstanding, and of Common Stock required as a quorum at any such class election of directors, provided, however, that if there is a quorum of Preferred Stock, the Preferred Stock shall be entitled to elect two directors, as aforesaid, notwithstanding the absence of a quorum of the Common Stock, and in that event the Preferred Stock shall be entitled to designate those of

the directors then holding office whose terms shall expire in order to create vacancies for succession of the new directors elected at such meeting by the Preferred Stock.

(f) *Alteration of Provisions With Respect to Preferred Stock.* Any amendment to the Certificate of Incorporation materially and adversely altering any existing provision with respect to the Preferred Stock shall require the assent of at least two-thirds of the Preferred Stock then outstanding voting as a class.

(g) *Unclaimed Dividends.* Anything herein to the contrary notwithstanding, any and all right, title, interest and claim in or to any dividends declared by the Surviving Corporation, whether in cash, stock or otherwise, which are unclaimed by the stockholder entitled thereto for a period of six years after the close of business on the payment date, shall be and be deemed to be extinguished and abandoned; and such unclaimed dividends in the possession of the Surviving Corporation, its transfer agents or other agents or depositaries, shall at such time become the absolute property of the Surviving Corporation, free and clear of any and all claims of any persons whatsoever.

4. *Rights or Options.* The Surviving Corporation shall have the power to create and issue, whether or not in connection with the issue and sale of any shares of stock or other securities of the Surviving Corporation, rights or options entitling the holders thereof to purchase from the Surviving Corporation any shares of its capital stock of any class or classes, such rights or options to be evidenced by or in such instrument or instruments as shall be approved by the Board of Directors. The terms upon which, the time or times, which may be limited or unlimited in duration, at or within which, and the price or prices at which any such rights or options may be issued and any such shares may be purchased from the Surviving Corporation upon the exercise of any such right or option shall be such as shall be fixed and stated in a resolution or resolutions adopted by the Board of Directors providing for the creation and issue of such rights or options, and, in every case, set forth or incorporated by reference in the instrument or instruments evidencing such rights or options. In the absence of actual fraud in the transaction, the judgment of the Directors as to the consideration for the issuance of such rights or options and the sufficiency thereof shall be conclusive. The foregoing shall apply, *mutatis mutandis*, to any such rights or options created or issued by either of the constituent corporations, or any predecessor thereof.

5. *Negation of Preemptive Right.* No holder of any stock of the Surviving Corporation of any class now or hereafter authorized shall have any right, preemptive or otherwise, as such holder (other than such right, if any, as the Board of Directors in its discretion may determine) to purchase, subscribe for or otherwise acquire any shares of stock of the Surviving Corporation of any class now or hereafter authorized, or any part paid receipts or allotment certificates in respect of any such shares, or any securities convertible into or exchangeable for any such shares, or any warrants or other instruments evidencing rights or options to subscribe for, purchase, or otherwise acquire any such shares, whether such shares, receipts, certificates, securities, warrants or other instruments be unissued, or issued and thereafter acquired by the Surviving Corporation.

6. *Issuance of Securities.* The Board of Directors of the Surviving Corporation shall have authority to authorize the issuance, from time to time without any vote or other action by the stockholders, of all or any shares of the stock of the Surviving Corporation of any class now or hereafter authorized, part paid receipts or allotment certificates in respect of any such shares and any securities convertible into or exchangeable for any such shares (whether such shares, receipts, certificates or securities be unissued, or issued and thereafter acquired by the Surviving Corporation), in each case to such corporations, associations, partnerships, individuals or others, for such consideration and on such terms as the Board of Directors from time to time in its discretion lawfully may determine; provided, however, that the consideration for the issuance of shares of stock of the Surviving Corporation having par value shall not be less than such par value.

SIXTH: *Minimum Capital.* The minimum amount of capital of the Surviving Corporation immediately upon this Agreement becoming effective shall be \$1,000,000.

SEVENTH: *Conversion of Shares of the Constituent Corporations.* The manner, if any, of converting the shares of the Constituent Corporations into shares of the Surviving Corporation shall be as follows:

(a) Each share of Preferred Stock without par value of Dynamics issued and outstanding at the effective date of the merger and the certificates therefor shall not be affected by the merger and each such share shall continue to be a share of Preferred Stock of the Surviving Corporation, with the designations, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions thereof hereinabove set forth for the purpose of convenience *ipsissimis verbis* as contained in the Agreement of Merger dated as of the 24th day of April, 1952 by and between Electric Boat Company and Dynamics hereinabove referred to, which initially fixed such designations, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions thereof.

(b) Each share of Common Stock of the par value of \$3 each of Dynamics and each Restricted Stock Option for the purchase of shares of such Common Stock issued and outstanding at the effective date of the merger and the certificates therefor shall not be affected by the merger and each such share or Restricted Stock Option shall continue to be a share of Common Stock or a Restricted Stock Option, as the case may be, of the Surviving Corporation.

(c) Each share of Common Stock of the par value of \$1 per share of Convair outstanding at the effective date of the merger and all rights in respect thereof shall forthwith be converted into four-sevenths of one share of Common Stock of the Surviving Corporation of the par value of \$3 each and each holder of such Common Stock of Convair, upon presentation and surrender of his certificate or certificates for such Common Stock to the Surviving Corporation or its designated agent, shall be entitled to receive in exchange therefor one or more certificates representing shares of Common Stock of the Surviving Corporation at the rate of four-sevenths of one share of such Common Stock for each share of Common Stock of Convair represented by the certificate or certificates so surrendered; provided, however, that the 400,000 shares of Common Stock of Convair held and owned by Dynamics shall not be converted into shares of Common Stock of the Surviving Corporation and on the effective date of the merger such shares of stock and the certificates representing the same shall forthwith be deemed to be cancelled and the certificate or certificates therefor shall be surrendered for cancellation and extinguishment. No fractional shares of Common Stock of the Surviving Corporation nor certificates therefor shall be issuable, but in lieu thereof there shall be issued scrip certificates for fractional shares, which scrip certificates shall be in bearer form and shall not entitle the holder thereof to any vote, dividend or any right whatsoever as a stockholder, except to receive, upon surrender of scrip certificates of like import representing in the aggregate the right to receive one or more full shares, a certificate for the number of full shares of Common Stock of the Surviving Corporation represented by the certificates so surrendered. Such scrip certificates shall otherwise be in such form and shall contain such terms and provisions as shall be fixed by the Board of Directors of Dynamics at or before the date of issue thereof and at or before the effective date of the merger. After April 30, 1960, all such scrip certificates shall be void for all purposes whatsoever.

(d) The 300 shares of Common Stock of the par value of \$1 per share of Convair, partly paid under its "Plan for the issuance of common stock of the par value of \$1 per share of Consolidated Vultee Aircraft Corporation to and the purchase of stock by certain of its executive officers and key employees", and all rights in respect thereof shall forthwith be converted into 171 and three-sevenths partly-paid shares of Common Stock of the Surviving Corporation of the par value of \$3 each. The holder of such partly-paid shares of Common Stock of Convair upon presentation and surrender of his certificate or certificates therefor to the Surviving Corporation or its designated agent shall be entitled to receive in exchange therefor one or more certificates representing 171 partly-paid shares of Common Stock of the Surviving Corporation together with a scrip certificate for three-sevenths of a share of such Common Stock and shall be entitled upon payment to the Surviving Corporation of the balance of the purchase

price of such shares (\$4,860), in accordance with said Plan, to receive one or more certificates representing 171 fully-paid shares of Common Stock of the Surviving Corporation.

(e) From and after the effective date of the merger, there shall be and be deemed to be reserved shares of Common Stock of the par value of \$3 each of the Surviving Corporation, for issuance under the Restricted Stock Option Plan of Dynamics (effective in respect of and binding upon the Surviving Corporation) upon exercise of Restricted Stock Options at any given time outstanding or thereafter granted thereunder, to the extent of 10% of the number of shares of such Common Stock outstanding at any given time.

EIGHTH: Existence. The Surviving Corporation shall have perpetual existence.

NINTH: Corporate Debts. The private property of the stockholders shall not be subject to the payment of corporate debts to any extent whatever.

TENTH: Directors.

(a) The number of directors of the Surviving Corporation shall not be less than three, shall be fixed by the by-laws and may be altered from time to time as may be provided therein. In case of any increase in the number of directors, whether or not by amendment of the by-laws by the Board of Directors, or in case of any vacancy on the Board of Directors howsoever caused, the additional directors may be elected or the vacancy filled by the Board of Directors or by the stockholders in accordance with the law of the State of Delaware. The by-laws may prescribe the number of directors necessary to constitute a quorum, which number may be less than a majority of the whole Board of Directors but not less than one-third of the whole Board of Directors. The election of directors of the Surviving Corporation need not be by ballot unless the by-laws shall so require.

(b) Initially the number of directors of the Surviving Corporation shall be twenty-seven, and the following shall act as directors of the Surviving Corporation until the next annual meeting of stockholders and until their successors are respectively duly elected and qualified:

<u>Names</u>	<u>Residences</u>
Ellsworth C. Alvord	3512 Lowell Street, N.W., Washington, D. C.
George W. Codrington	12911 Lake Avenue, Lakewood, Ohio
LaMotte T. Cohú	Box 752, Rancho Santa Fe, California
Lambert J. Gross	180 Highland Avenue, Ridgewood, New Jersey
Roger I. Harris	110 East End Avenue, New York, New York
John D. Hertz	Amarillo Ranch, 5975 Shoup Avenue, Woodland Hills, California
Joseph H. Himes	P. O. Box 547, Frederick, Maryland
John Jay Hopkins, Chairman	2800 Woodley Road, N.W., Washington 8, D. C.
S. R. Inch	2440 Marilouise Way, San Diego 3, California
I. M. Laddon	1068 Santa Barbara Street, San Diego 7, California
Emory S. Land	Sheraton Park Annex, Washington 8, D. C.
Henry M. Marx	Pembroke Island, Byram, Connecticut
Otto Marx	976 Orienta Avenue, Mamaroneck, New York
Donald N. McDonnell	Ambassador Hotel, Park Avenue at 51st Street, New York, New York
T. Rodgie McLagan	44 Sunnyside, Westmount, Quebec, Canada
Joseph T. McNarney	1556 Virginia Way, La Jolla, California
Clifton M. Miller	Hinchingham, Chestertown, Maryland
J. V. Naish	1361 Rhoda Drive, La Jolla, California
J. Geoffrey Notman	4655 Roslyn Avenue, Montreal, Quebec, Canada
Frank Pace, Jr.	Hillside Road, Greenwich, Connecticut
Morehead Patterson	730 Park Avenue, New York, New York
R. C. Patterson, Jr.	280 Park Avenue, New York, New York
Lawrence B. Richardson	860 Club Road, Hagerstown, Maryland
O. Pomeroy Robinson, Jr.	Waterford, Connecticut
Reeve Schley	Far Hills, New Jersey
Thomas A. Scott	40 Fifth Avenue, New York, New York
Robert F. Windfohr	1900 Spanish Trail, Fort Worth, Texas

(c) Initially the members of the Executive Committee of the Board of Directors of the Surviving Corporation shall be eight, and the following directors shall act as members of such Committee:

George W. Codrington
John Jay Hopkins, ex-officio
Otto Marx, Chairman
Joseph T. McNarney

Clifton M. Miller, Vice Chairman
J. V. Naish
Frank Pace, Jr.
O. Pomeroy Robinson, Jr.

ELEVENTH: *Annual Meeting of Stockholders.* The first annual meeting of stockholders of the Surviving Corporation after the effective date of this Agreement shall be the annual meeting provided or to be provided in the by-laws of the Surviving Corporation for the year 1955.

TWELFTH: *Meetings.* The stockholders and the Board of Directors shall have power to hold their meetings within or without the State of Delaware at such place or places as from time to time may be designated by the by-laws, or in case of the Board of Directors, by resolution of the Board or by consent of all its members.

THIRTEENTH: *Certain Powers of Board of Directors.* Without limiting the generality of any other matters herein contained:

(a) The Board of Directors shall have the power, without the assent or vote of the stockholders, to fix the time for the declaration and payment of dividends, to fix and vary the amount to be reserved for any proper purpose, and to authorize and to cause to be executed mortgages and liens upon the real and personal property of the Surviving Corporation, including after-acquired property, to determine the use and disposition of any surplus or net profits arising from the business of the Surviving Corporation and to use and apply any such surplus or net profits for the purchase or acquisition of bonds or other obligations or shares of stock of the Surviving Corporation, to such extent and in such manner and upon such terms as the Board of Directors shall deem expedient, and shares of stock of the Surviving Corporation so purchased or acquired may be resold.

(b) All corporate powers shall be exercised by the Board of Directors, without the assent or other action of the stockholders, except as otherwise expressly provided by law or by this Agreement of Merger or by the by-laws of the Surviving Corporation.

(c) Without the assent or other action of the stockholders, unless otherwise expressly provided by law or by this Agreement of Merger, the Board of Directors may purchase, acquire, hold, lease, mortgage, pledge, grant options with respect to, sell and convey such property, real or personal, without as well as within the State of Delaware, as the Board of Directors may, from time to time, determine; and, in payment for any property, it may issue or cause to be issued stock of the Surviving Corporation, bonds, debentures, or other obligations thereof, secured or unsecured.

(d) The Board of Directors may, by resolution or resolutions passed by a majority of the whole Board, designate one or more committees, each committee to consist of two or more of the directors of the Surviving Corporation, which, to the extent provided in said resolution or resolutions or in the by-laws of the Surviving Corporation, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Surviving Corporation. Such committee or committees shall have such name or names as may be stated in the by-laws of the Surviving Corporation or as may be determined from time to time by resolution adopted by the Board of Directors.

(e) In addition to the powers and authorities hereinbefore or by statute expressly conferred upon it, the Board of Directors is hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Surviving Corporation, sub-

ject, however, to the provisions of the statutes of the State of Delaware, of this Agreement of Merger, and of the by-laws of the Surviving Corporation.

FOURTEENTH: *By-Laws.* The by-laws of the Surviving Corporation shall be the by-laws of Dynamics in effect at the effective date of the merger. Subject to any limitations which may be imposed by the stockholders or by statute, the Board of Directors may make by-laws and from time to time may alter, amend or repeal any by-law or by-laws.

FIFTEENTH: *Interest of Directors and Officers in Contracts and Transactions.* No contract or other transaction between the Surviving Corporation and any other corporation and no act of the Surviving Corporation shall in any way be affected or invalidated by the fact that any of the directors of the Surviving Corporation are pecuniarily or otherwise interested in, or are directors or officers of, such other corporation; any director individually, or any firm of which any director may be a member, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of the Surviving Corporation, provided that the fact that he or such firm is so interested shall be disclosed or shall have been known to the Board of Directors or a majority thereof; and any director of the Surviving Corporation who is also a director or officer of such other corporation or who is so interested may be counted in determining the existence of a quorum at any meeting of the Board of Directors of the Surviving Corporation which shall authorize any such contract or transaction and may vote thereat to authorize any such contract or transaction with like force and effect as if he were not such director or officer of such other corporation or not so interested.

SIXTEENTH: *Indemnification of Directors and Officers.* Each director and officer of the Surviving Corporation and any person serving at its request as director or officer of another corporation in which it owns shares of capital stock or of which it is a creditor shall be indemnified by the Surviving Corporation against all expenses (including costs and attorneys' fees) actually and necessarily incurred or paid by him in connection with the defense of any action, suit or proceeding to which he may be made a party by reason of his being or having been such director or officer, or by reason of any action or omission or alleged action or omission by him in such capacity, and against any amount or amounts which may be paid by him (other than to the Surviving Corporation) in reasonable settlement of any such action, suit or proceeding, where it is in the interest of the Surviving Corporation that such settlement be made. In cases where such action, suit or proceeding shall proceed to final adjudication, such indemnification shall not extend to matters as to which it shall be adjudged that such director or officer is liable for negligence or misconduct in the performance of his duties as such. The right of indemnification herein provided for shall not be exclusive of other rights to which any director or officer or person may now or hereafter be entitled, shall continue as to a person who has ceased to be such director or officer, and shall inure to the benefit of the heirs, executors and administrators of such director or officer.

SEVENTEENTH: *Compromise or Arrangement.* Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof, or on the application of any receiver or receivers appointed for this Corporation under the provisions of section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors,

and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also on this Corporation.

EIGHTEENTH: *Effective Date.*

(a) This Agreement upon the filing thereof in the Office of the Secretary of State of the State of Delaware and the recording thereof in the Office of the Recorder of Kent County, Delaware, and in the Office of the Recorder of New Castle County, Delaware, shall take effect and be effective and shall thereupon be deemed and taken to be the Agreement and Act of Merger of the Constituent Corporations with and into the Surviving Corporation, and the separate existence of Convair, except insofar as it may be continued by statute, shall cease.

(b) The "effective date of this Agreement" or the "effective date of the merger" as herein referred to shall be the close of business on the day of such filing and recording.

(c) Upon the effective date of this Agreement, all and singular the rights, privileges, powers and franchises, as well of a public as of a private nature, of each of the Constituent Corporations shall be possessed by the Surviving Corporation, subject to all the restrictions, disabilities and duties of each of the Constituent Corporations and all and singular the rights, privileges, powers and franchises of each of the Constituent Corporations and all property, real, personal and mixed, and all debts due to any of the Constituent Corporations on whatever account, as well for stock subscriptions as all other things in action or belonging to each of the Constituent Corporations, shall be vested in the Surviving Corporation, and all property, rights, privileges, powers and franchises and all and every other interest shall be thereafter as effectually the property of the Surviving Corporation as they were of the several and respective Constituent Corporations and the title to any real estate vested by deed or otherwise under the laws of the State of Delaware in any of the Constituent Corporations shall not revert or be in any way impaired by reason of the merger herein provided for.

Without limiting the generality of the foregoing, upon the effective date of this Agreement, all domestic and foreign trade marks, trade names, trade mark and trade name registrations, copyrights, patents and design patents and all applications for the foregoing of every description, the business and good will appertaining thereto, the formulae and trade secrets and all other similar rights, privileges, franchises, powers and property of each of the Constituent Corporations shall be vested in the Surviving Corporation and shall be thereafter as effectually the property of the Surviving Corporation as they were of the several and respective Constituent Corporations.

Further, without limiting the generality of the foregoing, upon the effective date of this Agreement, the following plans, agreements or arrangements shall be effective in respect of and binding upon the Surviving Corporation and shall attach and be enforceable against it as if the same had been incurred or contracted by it:

(1) Restricted Stock Option Plan dated March 26, 1951, approved by the stockholders of Electric Boat Company, the predecessor of Dynamics, on April 26, 1951 and made a part of the Agreement of Merger dated as of the 24th day of April, 1952 by and between Electric Boat Company and Dynamics, effective in respect of Restricted Stock Options outstanding at the effective date of the merger and Restricted Stock Options thereafter granted under said Plan to officers and employees of the Surviving Corporation and its subsidiaries for the purchase of shares of Common Stock of the Surviving Corporation; provided, however, that the aggregate of Restricted Stock Options outstanding at any given time shall not cover an aggregate number of shares in excess of 10% of the number of shares of Common Stock of the Surviving Corporation outstanding at such time.

(2) Incentive Compensation Plan of Dynamics dated March 7, 1952, to remain in effect as to that class of officers and employees which would have been covered thereby in the absence of this merger;

(3) Incentive Compensation Plan of Convair, effective commencing with the fiscal year ended November 30, 1953 and to remain in effect as to that class of officers and employees which would have been covered thereby in the absence of this merger;

(4) Retirement Plan of Dynamics dated March 7, 1952, to remain in effect as to that class of officers and employees which would have been covered thereby in the absence of this merger;

(5) Retirement Plan of Convair, effective October 1, 1941, to remain in effect as to that class of officers and employees which would have been covered thereby in the absence of this merger;

(6) Electro Dynamic Hourly-Rate Employees Retirement Plan of Dynamics, effective as of January 1, 1954 and to remain in effect as to that class of employees which would have been covered thereby in the absence of this merger;

(7) Electric Boat Division Hourly-Rate Technical Design Employees Retirement Plan of Dynamics, effective as of January 1, 1954 and to remain in effect as to that class of employees which would have been covered thereby in the absence of this merger; and

(8) Any and all other plans, agreements or arrangements of Dynamics and Convair in force at the effective date of the merger shall be applicable to the persons who would have been covered thereby in the absence of this merger, with the exception of the "Plan for the issuance of Common Stock of the par value of \$1 per share of Consolidated Vultee Aircraft Corporation to and the purchase of such stock by certain of its executive officers and key employees" dated May 31, 1950, which upon the effective date of the merger shall be and be deemed to be cancelled and of no further force, except as to shares at that time issued and partly-paid thereunder.

(d) Convair shall from time to time execute and deliver or cause to be executed and delivered all such deeds and other instruments, and shall take or cause to be taken such further or other action as the Surviving Corporation may deem necessary or desirable in order to vest in and confirm to the Surviving Corporation title to and possession of all the aforesaid rights, privileges, powers and franchises and property, and otherwise to carry out the intent and purpose of this Agreement.

NINETEENTH: *Counterparts*. For the convenience of the parties and to facilitate the filing or recording of this Agreement, any number of counterparts hereof may be executed and each such executed counterpart shall be deemed to be an original instrument.

TWENTIETH: *Amendments*. The Surviving Corporation reserves the right to amend, alter, repeal or make additions to any provision contained in this Agreement in the manner now or hereafter prescribed by the statutes and laws of the State of Delaware, and all rights conferred on officers, directors and stockholders herein are granted subject to this reservation.

TWENTY-FIRST: *Voidability*. This Agreement shall be void at the option of the Board of Directors of either Dynamics or of Convair unless the votes of stockholders of Dynamics or of Convair representing at least two-thirds of the total number of shares of the respective capital stock of said corporations shall be for the adoption thereof.

TWENTY-SECOND: *Descriptive Headings*. The descriptive headings of the several articles, sections and paragraphs of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

IN WITNESS WHEREOF, each of the Constituent Corporations parties to this Agreement has caused these presents to be signed by a majority of its Board of Directors and its corporate seal to be hereunto affixed, all as of the day and year first above written.

Directors of

GENERAL DYNAMICS CORPORATION

GEORGE W. CODRINGTON

George W. Codrington

JOSEPH H. HIMES

Joseph H. Himes

JOHN JAY HOPKINS

John Jay Hopkins

EMORY S. LAND

Emory S. Land

T. RODGIE McLAGAN

T. Rodgie McLagan

OTTO MARX

Otto Marx

CLIFTON M. MILLER

Clifton M. Miller

J. GEOFFREY NOTMAN

J. Geoffrey Notman

FRANK PACE, JR.

Frank Pace, Jr.

MOREHEAD PATTERSON

Morehead Patterson

LAWRENCE B. RICHARDSON

Lawrence B. Richardson

O. POMEROY ROBINSON, JR.

O. Pomeroy Robinson, Jr.

REEVE SCHLEY

Reeve Schley

THOMAS A. SCOTT

Thomas A. Scott

GENERAL DYNAMICS CORPORATION
CORPORATE SEAL
1952
DELAWARE

Directors of

CONSOLIDATED VULTEE AIRCRAFT
CORPORATION

ELLSWORTH C. ALVORD

Ellsworth C. Alvord

GEORGE W. CODRINGTON

George W. Codrington

LA MOTTE T. COHU

La Motte T. Cohu

LAMBERT J. GROSS

Lambert J. Gross

ROGER I. HARRIS

Roger I. Harris

JOHN D. HERTZ

John D. Hertz

JOHN JAY HOPKINS

John Jay Hopkins

S. R. INCH

S. R. Inch

I. M. LADDON

I. M. Laddon

HENRY M. MARX

Henry M. Marx

DONALD N. McDONNELL

Donald N. McDonnell

JOSEPH T. McNARNEY

Joseph T. McNarney

CLIFTON M. MILLER

Clifton M. Miller

J. V. NAISH

J. V. Naish

FRANK PACE, JR.

Frank Pace, Jr.

R. C. PATTERSON

R. C. Patterson

LAWRENCE B. RICHARDSON

Lawrence B. Richardson

O. POMEROY ROBINSON, JR.

O. Pomeroy Robinson, Jr.

ROBERT F. WINDFOHR

Robert F. Windfohr

CONSOLIDATED VULTEE AIRCRAFT
CORPORATION
DELAWARE
1923

The undersigned, CHARLES P. HART, Secretary of GENERAL DYNAMICS CORPORATION, one of the Constituent Corporations mentioned in the within Agreement of Merger, on behalf of said corporation, certifies as follows:

The within Agreement of Merger has been submitted to the stockholders of said corporation at a meeting thereof duly called and held, in accordance with the provisions of Section 251 of the General Corporation Law of the State of Delaware, on the 29th day of April, 1954, and at said meeting said Agreement was considered and a vote by ballot in person or by proxy taken for the adoption or rejection of said Agreement, and the votes of the stockholders of said corporation representing 772,572 shares of its Capital Stock, being at least two-thirds of the shares of said Capital Stock issued and outstanding and entitled to vote, were for the adoption of said Agreement and voted therefor.

IN WITNESS WHEREOF, the undersigned hereby certifies to the foregoing under the corporate seal of said corporation this 29th day of April, 1954.

CHARLES P. HART

GENERAL DYNAMICS CORPORATION
CORPORATE SEAL
1952
DELAWARE

The undersigned, EDMUND BURKE, Secretary of CONSOLIDATED VULTEE AIRCRAFT CORPORATION, one of the Constituent Corporations mentioned in the within Agreement of Merger, on behalf of said corporation, certifies as follows:

The within Agreement of Merger has been submitted to the stockholders of said corporation at a meeting thereof duly called and held, in accordance with the provisions of Section 251 of the General Corporation Law of the State of Delaware, on the 29th day of April, 1954, and at said meeting said Agreement was considered and a vote by ballot in person or by proxy taken for the adoption or rejection of said Agreement, and the votes of the stockholders of said corporation representing 1,759,733 shares of its Capital Stock, being at least two-thirds of the shares of said Capital Stock issued and outstanding and entitled to vote, were for the adoption of said Agreement and voted therefor.

IN WITNESS WHEREOF, the undersigned hereby certifies to the foregoing under the corporate seal of said corporation this 29th day of April, 1954.

EDMUND BURKE

CONSOLIDATED VULTEE AIRCRAFT
CORPORATION
DELAWARE
1923

The within Agreement of Merger, adopted by General Dynamics Corporation and Consolidated Vultee Aircraft Corporation, is hereby executed by said corporations, respectively.

IN WITNESS WHEREOF, this Agreement has been signed by the President and Secretary of General Dynamics Corporation the 29th day of April, 1954, and by the Executive Vice President and Secretary of Consolidated Vultee Aircraft Corporation the 29th day of April, 1954, under the respective corporate seals thereof and has been duly acknowledged by the President of General Dynamics Corporation and by the Executive Vice President of Consolidated Vultee Aircraft Corporation.

GENERAL DYNAMICS CORPORATION

GENERAL DYNAMICS CORPORATION
CORPORATE SEAL
1952
DELAWARE

By JOHN JAY HOPKINS
President

Attest:

CHARLES P. HART
Secretary

CONSOLIDATED VULTEE AIRCRAFT
CORPORATION

CONSOLIDATED VULTEE AIRCRAFT
CORPORATION
DELAWARE
1923

By J. V. NAISH
Executive Vice President

Attest:

EDMUND BURKE
Secretary

STATE OF DELAWARE }
COUNTY OF KENT } ss:

BE IT REMEMBERED that on this 29th day of April, 1954, before me, a Notary Public in and for the County and State aforesaid, personally came JOHN JAY HOPKINS, the President of GENERAL DYNAMICS CORPORATION, a corporation of the State of Delaware, party to the foregoing Agreement of Merger, to me personally known and personally known to me to be such President, and who, being by me duly sworn, did depose and say that he is the President of General Dynamics Corporation, one of the corporations described in and which executed the foregoing Agreement of Merger; that he resides in Washington, District of Columbia; that he knows the seal of said corporation; that the seal affixed to said Agreement is the corporate seal of said corporation; that it was affixed to said Agreement by authority of a majority of the directors and by order and resolution adopted by the holders of at least two-thirds of the Capital Stock of said corporation entitled to vote, for the uses and purposes therein expressed, and that by like authority and order he signed and subscribed his name thereto as President of said corporation and executed and acknowledged the same; that the signature of the President is in his own proper handwriting and said John Jay Hopkins then and there acknowledged said Agreement before me to be his own act, deed and agreement and the corporate act, deed and agreement of said corporation.

WITNESS my hand and notarial seal the day and year aforesaid.

...EMMA V. HALL.....

STATE OF DELAWARE }
COUNTY OF KENT } ss:

BE IT REMEMBERED that on this 29th day of April, 1954, before me, a Notary Public in and for the County and State aforesaid, personally came J. V. NAISH, the Executive Vice President of CONSOLIDATED VULTEE AIRCRAFT CORPORATION, a corporation of the State of Delaware, party to the foregoing Agreement of Merger, to me personally known and personally known to me to be such Executive Vice President, and who, being by me duly sworn, did depose and say that he is the Executive Vice President of Consolidated Vultee Aircraft Corporation, one of the corporations described in and which executed the foregoing Agreement of Merger; that he resides in La Jolla, California; that he knows the seal of said corporation; that the seal affixed to said Agreement is the corporate seal of said corporation; that it was affixed to said Agreement by authority of a majority of the directors and by order and resolution adopted by the holders of at least two-thirds of the Capital Stock of said corporation entitled to vote, for the uses and purposes therein expressed, and that by like authority and order he signed and subscribed his name thereto as Executive Vice President of said corporation and executed and acknowledged the same; that the signature of the Executive Vice President is in his own proper handwriting and said J. V. Naish then and there acknowledged said Agreement before me to be his own act, deed and agreement and the corporate act, deed and agreement of said corporation.

WITNESS my hand and notarial seal the day and year aforesaid.

...EMMA V. HALL.....



Office of Secretary of State.

I, John N. McDowell, Secretary of State of the State of Delaware,
do hereby certify that the above and foregoing is a true and correct copy of
Certificate of Agreement of Merger between "GENERAL DYNAMICS CORPORATION"
and "CONSOLIDATED VULTEE AIRCRAFT CORPORATION", under the name of
"GENERAL DYNAMICS CORPORATION", as received and filed in this office
the thirtieth day of April, A.D. 1954, at 8:30 o'clock A.M.

In Testimony Whereof, I have hereunto set my hand
and official seal at Dover this thirtieth day
of April in the year of our Lord
one thousand nine hundred and fifty-four.

John N. McDowell
Secretary of State

M. D. Tomlinson
Ass't. Secretary of State

State of Delaware
Kent County, ss.

I, ROBERT A. SAULSBURY, Recorder of Deeds for Kent
County, Delaware, do hereby certify that

Certificate of Agreement of Merger between "GENERAL DYNAMICS
CORPORATION", and "CONSOLIDATED VULTEE AIRCRAFT CORPORATION",
under the name of "GENERAL DYNAMICS CORPORATION"

was received for record in this office on _____
April 30, 1954, at 9:00 o'clock A.M.

and the same appears of record in the Recorder's Office for said
County in _____ Record _____
Volume _____ Page _____ Etc.

Witness my hand and Official Seal, this thirtieth
day of April A. D. 19 54.



Robert A. Saulsbury
Recorder

State of Delaware
Kent County, ss.

I ROBERT A. SAULSBURY, Recorder of Deeds for Kent

County, Delaware, do hereby certify that

Certificate of Agreement of Merger between "GENERAL DYNAMICS

CORPORATION", and "CONSOLIDATED VULTEE AIRCRAFT CORPORATION",

under the name of "GENERAL DYNAMICS CORPORATION"

was received for record in this office on

April 30, 1954, at 9:00 o'clock A.M.

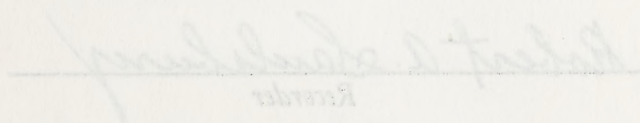
and the same appears of record in the Recorder's Office for said

County in _____ Record _____

Volume _____ Page _____ Etc.

Witness my hand and Official Seal, this _____

day of _____ April _____ A.D. 19 _____


Recorder



State of Delaware

New Castle County

ss.

I, BURTON S. HEAL,

Recorder of

Deeds for New Castle County, Delaware, do hereby certify that Certified Copy of

CERTIFICATE OF AGREEMENT OF MERGER BETWEEN "GENERAL DYNAMICS CORPORATION",
AND "CONSOLIDATED VULTEE AIRCRAFT CORPORATION", UNDER THE NAME OF
"GENERAL DYNAMICS CORPORATION", AS RECEIVED AND FILED IN THE OFFICE OF
SECRETARY OF STATE THE THIRTIETH DAY OF APRIL, A. D. 1954

was received for record in this office on APRIL 30, 1954 AT 10 O'CLOCK A. M.

and the same appears of record in the Recorder's Office for said County.

Witness my hand and Official Seal, this THIRTIETH

day of

APRIL A. D. 1954.

Burton S. Heal
by Jm

Recorder.

State of Delaware
New Castle County

Resident of
J. BURTON S. HEAL,

CERTIFICATE OF AGREEMENT OF MERGER BETWEEN "GENERAL DYNAMICS CORPORATION",
"CONSOLIDATED VULTEE AIRCRAFT CORPORATION", UNDER THE NAME OF
"GENERAL DYNAMICS CORPORATION", AS RECEIVED AND FILED IN THE OFFICE OF
SECRETARY OF STATE THE THIRTIETH DAY OF APRIL, A. D. 1954

Notarized for record in this office on
APRIL 30, 1954 AT 10 O'CLOCK A. M.

Witness my hand and Official Seal this
THIRTIETH
APRIL A. D. 1954

[Signature]
Notary

Witness my hand and Official Seal this
_____ day of _____

_____ day of _____ A. D. 1954
[Signature]
Notary





